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Senate

(Legislative day of Monday, May 15, 1995)

The Senate met at 8 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. The prayer this morning will be led by the guest Chaplain, the Reverend Ralph E. McCormack, of Danville, VA, guest of Senator BYRD.

PRAYER

The Reverend Ralph E. McCormack, pastor of Burton Memorial Presbyterian Church, Danville, VA, offered the following prayer:

Let us pray:

Gracious God, we invoke Thy presence with us here in this place.

We pray for these U.S. Senators. We pray that they may have wisdom in their deliberations. We pray that their decisions will continue to keep our Nation strong and safe for all people.

We pray for all of us here and for our families. If there is sickness, we pray for better health. If there is unhappiness, we pray for reasons for joy. If in our families, there is ill feeling, we pray for peace and harmony. If in our families there is any problem or any cause for worry, we pray for a good resolution of the difficulty.

Help us to honor Thee with our lips and with our lives. Amen.

CONCURRENT RESOLUTION ON THE BUDGET

The PRESIDENT pro tempore. The Senate will resume consideration of Senate Concurrent Resolution 13.

The clerk will report the pending business.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 13) setting forth the congressional budget for the United States Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002.

The Senate resumed consideration of the concurrent resolution.

Pending:

(1) Harkin-Bumpers amendment No. 1126, to reduce unnecessary military spending, holding military spending to a freeze in overall spending over 7 years protecting readiness and modernization activities and shifting the savings to education and job training, restoring a portion of the reductions proposed for those programs in the resolution.

(2) Feingold-Hollings amendment No. 1127, to strike the budget surplus allowance provision (Section 204) from the resolution to eliminate the use of the fiscal dividend for further tax cuts.

(3) Snowe amendment No. 1128, to increase funding for mandatory spending in function 500 (Education).

(4) Bumpers amendment No. 1130, to strike the proposed change in the budget process rules which would permit the scoring of revenue derived from the sale of federal assets.

AMENDMENT NO. 1128

Mr. EXON. Mr. President, I would ask my chairman of the committee if it would be in order for me at this time to yield 10 minutes off the bill in opposition to the Snowe amendment to the Senator from Massachusetts?

Mr. DOMENICI. Mr. President, parliamentary inquiry.

How much time remains on the Snowe amendment?

The PRESIDENT pro tempore. Senator SNOWE has 67 minutes; the opposition has 35 minutes.

Mr. DOMENICI. I would prefer to yield 10 minutes off the opposition to the amendment. Is that what the Senator wanted?

Mr. EXON. The Senator from Ohio wants 10 minutes.

I would start out today by saying to all the Senators that we are extremely strapped for time. Five minutes here, ten minutes there, under ordinary circumstances would be in order. I think we have about what—4 hours maximum left? How much time is remaining?

The PRESIDENT pro tempore. Three hours and 45 minutes.

Mr. EXON. Mr. President, 3 hours and 45 minutes, with about 70 amendments. We will have to extremely limit our time. I think that the requests—may I suggest that we yield 8 minutes to the Senator from Massachusetts and 8 minutes to the Senator from Ohio.

Mr. DOMENICI. And 8 minutes to the senior Senator from Ohio.

Mr. WELLSTONE. I might ask if I could have 4 minutes.

Mr. DOMENICI. Let me see how the opposition goes. I have none for myself at this point. Then I will see.

I yield 8 minutes to Senator KENNEDY, 8 minutes to the junior Senator from Ohio, and 8 minutes to the senior Senator from Ohio.

The PRESIDENT pro tempore. The distinguished Senator from Massachusetts is recognized.

Mr. KENNEDY. Thank you, Mr. President. I yield myself 8 minutes.

Mr. President, one of the most important aspects of the whole budget resolution is what it does in the areas of higher education, as well as education generally.

I took a few moments of the Senate's time just 3 days ago to outline where I thought we were on the whole issue of education in this country. We take pride in our higher education system. Of the top 149 universities worldwide, 127 of them are here in the United States. Our system works well. We provide superb higher education in this country. If there is a basic problem, it is the cost of higher education. We have tried to address this problem at the Federal level.

Our Federal education policies have been worked out in a bipartisan way over the period of years since the early 1960's when a judgment was made that it was in the national interest to support higher education.

Individual contributions, private sector contributions, and Federal assistance have created the world's best education system. Together, we support educational opportunities for our Nation's citizens, and at the same time,

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

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we support the outstanding research that is going on in places like the NIH, the National Science Foundation, and other research agencies. Our system is working, and it is working well.

The charts we reviewed a few days ago in this Chamber show that providing higher education to our citizens contributes to this country immeasurably. The clearest example of this was the cold war GI bill which returned $8 for every $1 that was invested in education. Investments in education continue to be an investment in our country.

Now, the Budget Act that is before the Senate today effectively cuts $65 billion from education, $30 billion of it out of higher education, and the remainder out of other education support programs over the period of the next 7 years.

That is a one-third cut in higher education. The suggestion by members of the Budget Committee that these cuts are not going to touch the Pell grants, that we are going to hold them harmless, is basically hogwash. Even when we hold the Pell grants harmless, we see a 40-percent reduction in what has been a lifeline for young people to go on to higher education.

Mr. President, 70 percent of all the young people in my State need some kind of assistance to go to the fine schools and colleges, the 4-year colleges and the 2-year colleges in my State. And 75 percent of that assistance comes from Federal support to higher education.

What is amazing to me is that after we have had this dramatic cut, and the Senate has rejected the efforts by Senator HARKIN, Senator HOLLINGS, and others, to restore education funding, we now have this amendment that restores a meager 10 percent of the proposed reduction in Federal support to higher education.

The explanation about how we are going to avoid instructions to the Labor and Human Resources Committee that will be charged with going ahead with these cuts is enormously interesting to me.

We had a debate here on the floor of the U.S. Senate about how we ought to eliminate home equity—farm home equity and home equity of young people—in our calculations of student assistance eligibility. Why? Because the value of the farms have gone up over the period of recent years. That has been true in the heartland of this Nation, just as it has been true in the increased value of homes as a result of inflation that students have nothing to do with. Including home equity in calculations for student aid eliminated the sons and daughters of working families whose principal problem is the value of their farm went up or their home went up.

A second debate we had here on the floor of the U.S. Senate, supported by Republicans as well, was to give young people a few months after they get out of college to find a job.

We wanted to make sure that they were not going to have to repay their loans for a short period of months—and we are talking a few months—after they graduate, when they are trying to find a job. That decision had the support of Republicans and Democrats alike. Now we are finding out that this grace period will be gone as well. Students are going to be penalized again.

I do not know how it is in other parts of the country, but I can tell you the job market in my State is not flourishing for young people who are graduating from college. They are able to get jobs, but it takes them a little while and their salaries to begin are low. Now the Republicans want to penalize them for that.

If you want to talk about a figleaf over a problem, the Snowe amendment is just that. This is a 10-percent restoration from the budget cut. Some will say, given the fact we have been voted down and voted down and voted down, we ought to grab this, because it is the only thing we are going to get. The fact of the matter is, this amendment proposes to find offsets from travel, bonuses, and other agencies, but these are not binding instructions. The appropriators decide on those instructions. There is nothing to guarantee that education will be off limits.

So on the one hand, the Snowe amendment may restore some benefit to those who need Stafford loans, but you are taking money away from the sons and daughters of working families who need the help and assistance provided in a title I program or a school-to-work program. There are no guarantees here that you are not going to just put it back in one part of education and sacrifice another part.

So we should be thankful for any kind of restoration of funds to education. But I must say to the parents who are watching this debate that what they ought to understand is that we are going to see a one-third cut in the area of education, a $65 billion loss over the period of the next 7 years. The effect of this amendment, if it is successful, will be a restoration of $6 billion of those funds.

The Senator from Connecticut, myself, the Senator from Minnesota, and others will be offering, at an appropriate time, a very modest amendment to restore $28 billion, not the full amount, but just $28 billion, with offsets from corporate welfare and tax provisions.

It is extraordinary to me that once again we talk about educating children in this country, but the Budget Committee could only find $20 billion out of $4 trillion reductions in tax expenditures to turn to this important venture. We could have gotten the $60 billion. You would have thought they could find the billionaires' tax cuts where you find billionaires turning into Benedict Arnolds, where they make fortunes, hundreds of millions and billions of dollars, and then give up their citizenship and go overseas and avoid any kind of taxes. You would have thought they could find——

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. KENNEDY. I yield myself another minute.

The PRESIDENT pro tempore. The Senator has no more time.

Mr. KENNEDY. I yielded myself 8 minutes and I was given 10, I believe.

The PRESIDENT pro tempore. That is incorrect. The time of the Senator has expired.

Senator DEWINE.

Mr. DEWINE. Mr. President, I rise today in very strong opposition to the amendment of my friend, the Senator from Maine. This amendment, frankly, will hurt the very people it purports to help, our young children.

The Snowe amendment would support programs that are, in fact, meritorious. But it would do so with an offset that would cause serious harm to the future of U.S. competitiveness in a very important high-technology industry. It would do so with an offset that would cause serious harm to U.S. competitiveness in an increasingly tough and competitive world. The offset assumes a reduction of $1.124 billion in aeronautic research and development.

Let me explain the real world consequences this cut would have, and especially what it would do to some very important programs at NASA.

One of the programs has to do with the advanced subsonic technology. This program addresses future technology needs covering the whole spectrum of subsonic aviation, from commercial jets to small aircraft.

First of all, this program has already perfected techniques for detecting and evaluating corrosion and cracks in aircraft. These techniques have now become a part of the industry. If we make this cut, the cut proposed in the Snowe amendment, our future ability to increase air safety will be seriously impaired.

Second, our ability to decrease the harmful environmental effects of aircraft will also be seriously impaired. To remain globally competitive, U.S. aviation has to stay ahead of international environmental standards. Thanks in part to the advanced subsonic technology program, we are doing that today. It would be wrong to lose our competitive edge in this area.

Third, our ability to improve satellite air traffic control would also be seriously hurt by a cut in this program.

All of these areas—aircraft safety, the environment, air traffic control—are legitimate concerns of the Federal Government and have been an area where the Federal Government has been involved for decades. In these areas, NASA is engaging in high-risk research that individual companies simply cannot and will not undertake.

Furthermore, Federal investment in this technology has important roots in the history of our country, as I will explain in a few moments. NASA's role, really, is to develop high-risk, high-

payoff, precompetitive technologies so they can then be passed along to private industry. This is something that only NASA can do. And this investment is essential to the future of the U.S. aircraft industry. The continuing growth of U.S. market share depends on our ability to ensure that aircraft are safe, cost effective, and able to comply with ever more stringent environmental regulations.

There is a long history of Government involvement in basic, precompetitive research. Back in 1917, the United States established the National Advisory Committee on Aeronautics to engage in basic precompetitive research. The NACA was a precursor of NASA and did the same kind of forward-looking work that would be cut under this amendment.

Earlier this month we, of course, celebrated the 50th anniversary of the end of World War II. Every single airplane that helped win that war was made possible by NACA's testing facilities. No single corporation had enough money to be able to invest in the kind of wind tunnels that were used to test these planes. NACA's Ames facility did have those resources. No single corporation had the resources to do the basic research on how wings should be shaped. NACA did have the resources.

For almost eight decades, NACA, and its successor agency, today's NASA, have been making the kind of investment in America's aviation knowledge base that no corporation could possibly match. Every single plane in America today has NASA's technology somewhere in it. The little piece of wing that juts out perpendicular from the wing tip—known as a winglet—was designed by NASA. The winglet increases the fuel efficiency of an airplane by 5 percent, and that 5 percent can make a big difference in making U.S. planes competitive.

Just this week the Boeing 777 was unveiled. Major components in that plane were designed some 15 years ago in NASA's laboratories, not with a view toward the product line of any particular corporation, but because, over the long run, the long term, America needs that technology know-how.

Another research project threatened by this amendment is NASA's high-speed research program. Before investing the roughly $20 billion that might be necessary to develop a high-speed civil transport aircraft, private companies need to know whether such a plane could be built in compliance with environmental and safety standards.

If we allow the United States to fall behind in the quest for this technological breakthrough, the U.S. share of the long-range global aircraft market could drop below 50 percent. It would be a horrible blow to the trade deficit, to high-technology jobs, and to something in many respects even more important, our national sense that America is leading the world in the future of high technology.

America's ascent to the role of global superpower was made possible in large part by the ability of America's aviation pioneers to invest in the future.

Education—so ably advocated by my good friend from Maine—has to do with preparing our children for the challenges of the future. This program—the program that would be cut by this amendment—is building that future. I think cutting this program would be a very shortsighted measure—and the losers would be our children.

Tens of thousands of American children can grow up to work in high-technology aviation jobs—if we do not foreclose that option by making shortsighted decisions today.

In aviation, there is a truly global market. Over the next 15 to 20 years, the global demand is expected to be between $800 billion and $1 trillion.

A recent study by DRI/McGraw-Hill estimates that a 1-percent gain in U.S. market share creates 9,000 new jobs—and $120 million in Federal revenues—each year.

Aviation already contributes over $25 billion a year to the U.S. balance of trade. That's more than any other U.S. manufacturing industry.

And aviation already generates almost a million high-quality jobs in this country.

If we allow this cut to go forward, we will fall behind in our effort to develop technologies that will keep America on top of this global market.

I think we should continue to invest in a high-technology future for this country.

I think NASDA's research on aviation plays a fundamental and irreplaceable role in that process.

That is why I will be voting ''no'' on the amendment proposed by the Senator from Maine. To vote ''no'' on this amendment is to say ''yes'' to a high-technology future for Amercia's children.

I will conclude by summarizing as follows: We hear a lot of talk on this floor about making sure our children have good jobs, high-paying jobs, high-technology jobs, and they should not be confined, as some people on both sides of the aisle have said, to flipping hamburgers. This type of research gives these good high-paying jobs to our children.

I urge, therefore, a ''no'' vote on the Snowe amendment. I urge a vote for our future.

I see my time is almost expired. I see my friend and colleague from Ohio, who has a tremendous amount of experience in this area, has risen to speak and will be speaking in just a moment. I look forward to listening to his comments.

Mr. GLENN addressed the Chair.

The PRESIDENT pro tempore. The Senator from Ohio is recognized.

Mr. GLENN. Mr. President, I regret we have such a short time here this morning to deal with this.

Mr. President, I rise in opposition to the amendment proposed by Senators SNOWE, ABRAHAM, GRASSLEY, BROWN, KASSEBAUM, COHEN, LOTT, AND CHAFEE.

I support the goal of the amendment—to provide increased funds for higher education. My record is clear and unequivocal on education funding. These funds must be increased, but not in the way proposed by the proponents of this amendment.

I do not know that there has been an education bill which I voted against since I have been in the Senate for over 20 years. My record is very clear in that regard.

I want to speak about the offsets that are required here that would provide the money for this particular amendment. I would like to speak about two of the offsets that the amendment identifies and discuss the impact which these cuts would have on our economy and our Federal workers.

First, the amendment would zero out two important NASA programs. This Nation has gotten to be what it is because we put more into research, and the inquiry into the unknown, into pushing back the frontiers of science, and then we develop the industry and the business once that has occurred. That has been the hallmark of America. We have been the envy of the world in doing that; the envy of the world.

So these programs in our R&D are seed-corn type programs that whole industries benefit from. We have seen in the past money spent at NASA in aeronautical research which in particular had led to the development of an aircraft industry in this country that has been leading in exports second only to farming, to agricultural products, in years past.

Dan Goldin, the Administrator of NASA, was given aid by the administration, and was tasked to downsize some, and he went ahead and did it. He did it, and he has a program in NASA, a 5-year budget, which was about $122 billion in fiscal 1993. The 1996 request is now $82 billion for the next 5 years. So they have been cut by one-third in just 2 years.

NASA has stepped up to the plate to reduce bureaucracy and improve the way it does business. These programs are the R&D or seed-corn type programs which many of my colleagues have heard me speak about in the past. This amendment would zero out NASA's High-Speed Research Program, and NASA's Advanced Subsonic Technology Program.

Before I talk about these specific programs, I would like to observe that NASA has already absorbed more than its share of budget cuts. A couple of figures will illustrate what I am talking about. In fiscal year 1993, NASA's 5-year budget request was about $122 billion. The fiscal year 1996 request is now $82 billion for the next 5 years. NASA has been cut by one-third in just over 2 years.

Dan Goldin's leadership of the agency is currently going through a painful process of reducing its budget by $5 billion over the next 5 years. Mr. Goldin

believes that this can be achieved without eliminating programs. He has a tough row to hoe to achieve this and he just cannot do it if we impose another cut like this on his budget over there.

These programs are valuable. They are not something that we just pick up and lay down as a whim. Further cuts in NASA's budget will simply result in the elimination of current programs.

And Mr. President, I suggest that, if this amendment is approved, the future of NASA's three aeronautic research centers—Lewis Research Center, Ames Research Center, and Langley Research Center will be in jeopardy.

Now, let me talk about the High-Speed Research Program first. The goal of this program is to help develop the technologies industry needs to design and build an environmentally compatible and economically competitive high-speed civil jet transport for the 21st century. The technology developments are to reach an appropriate stage of maturity to enable an industry decision on aircraft production by 2001.

Mr. President, the technologies currently needed to develop such a transport are beyond the state of the art. NASA estimates that industry will need to invest more than $20 billion to bring such a transport to market. A $20 billion industry just with this one development alone; $20 billion we are talking about, and we are talking about cutting back the research that will make that possible.

Studies have identified a substantial market for a future supersonic airliner to meet rapidly growing demand for long-haul travel, particularly across the Pacific.

Those that have been to the Southeast Asian area recently know how that area is really expanding economically. Over the period from 2005 to 2015, this market could support 500 to 1,000 aircraft, creating a multibillion sales opportunity for its producers. Such an aircraft will be essential for capturing the valuable long-haul Pacific rim market.

As currently envisioned an HSCT aircraft should be designed to carry 300 passengers at Mach 2.4 on transoceanic routes over distances up to 6,000 nautical miles at fares comparable to subsonic transports.

Now let me talk about the Advanced Subsonic Technology Program.

The goal of NASA's Advanced Subsonic Technology program is to develop, in cooperation with the FAA and the U.S. aeronautics industry, high-payoff technologies to enable a safe, highly productive global air transportation system that includes a new generation of environmentally compatible, economical U.S. subsonic aircraft. Some of the technologies and issues being studied and developed in this program include:

First, fly-by-light/power-by-wire: a fully digital aircraft control system which would be substantially lighter, more reliable and efficient than current control systems.

Here is one that ought to get the attention of every single person who is hearing my voice, and every single person in this Chamber: Aging aircraft. My colleague from Ohio mentioned that a moment ago.

Second, aging aircraft: To develop new ways of inspecting aircraft to determine their airworthiness.

When you see a black storm cloud on the horizon the next time you are taking off out of Washington National or Dulles in a 727 aircraft over 20 years old, I think you would be interested in this kind of research NASA wants to do.

New approaches are being developed to determine the residual strength in airframes using advanced nondestructive technologies. It might be worth thinking about this program the next time you are sitting in a 727 that's 20 years old waiting to take off on a cross-country flight.

Third, noise reduction: This program is developing technologies to reduce aircraft noise by 10 decibels or more by the year 2000.

Fourth, terminal area productivity: Technologies, chiefly involving air traffic control, that can improve the efficiency of operations on the ground at busy airports.

Fifth, integrated wing design: New concepts, design methodologies, model fabrication and test techniques are being developed to provide industry an integrated capability to achieve increased aircraft performance at lower cost.

Sixth, propulsion: Technologies to improve fuel efficiency of future commercial engines by at least 8 percent and reduce nitrogen oxides by 70 percent over current technology.

These are only some of the technologies being developed under the program which the amendment's propents would completely gut.

It is a truly shortsighted amendment that would eliminate these important applied technology programs.

Mr. President, it is no secret that aerospace business is a government-private sector partnership. Historically our government has funded aeronautics R&D, and industry has taken this basic technology and developed aircraft that have dominated the world market. Over the last decade or so, other governments have gotten into the act. Currently, the U.S. market share is about 65 percent, down from about 91 percent in the 1960's.

We had 91 percent of the world's commercial aircraft market in the 1960's. We are now being competed with more vigorously than we have ever been in the past.

Cutting these two important programs will not help us regain this market share—quite the opposite. We will be sending a signal that the U.S. aircraft industry will be less competitive. I do not want to see that happen.

In summary, the advanced subsonic technology: meets future technology needs for next generation aircraft; enables NASA to develo high-risk, high-payoff, precompetitive technology to prove feasibility so that industry may complete development and apply technology to specific products; will result in accomplishments in noise prediction codes for quieter engines, non-destructive evaluation techniques for detecting corrosion, cracks and disbonds; analytical tools to understand aircraft wake vortices for safe landings; and assists in preserving 1 million U.S. high quality jobs and $25 to $30 billion in annual positive balance of trade for U.S. aviation.

How can we possibly take a chance on knocking something like that down?

The High-Speed Research Program will: enable NASA to develop early, high-risk technology for future environmentally compatible, economically competitive high-speed civil transport aircraft (technologies needed are beyond state of the art); industry will take NASA technology and invest $20 billion to actually develop aircraft; and if the United States is first to market, the U.S. market share could grow to 80 percent, achieve $200 billion in sales, and create 140,000 new U.S. jobs.

Thank you Mr. President. I urge my colleagues to vote against the Snowe-Abraham amendment.

I think, while I support the goal of getting more money for education, I certainly do not support taking it out of these forward-looking research programs that have served us so well in the past, and will in the future.

IMPACT ON NASA LEWIS

NASA's zero-based review announced last week will have a significant impact on Lewis Research Center outside of Cleveland, OH. Lewis will be given primary responsibility for aeronautics research, especially aeropropulsion research. Other programs would be shifted away from Lewis, including work on expendable launch vehicles.

Mr. President, if the proposal by the Senator from Maine is accepted, I think it could be the death knell for Lewis Research Center. I use these words carefully. But when an agency like NASA is downsizing, and the chief mission of a given facility is eliminated—and this amendment would eliminate high-speed research and advanced subsonic technology research, which will be Lewis' bread and butter—then I think my words are accurate.

If Lewis closes, the impact on my State will be significant. According to NASA, Ohio has the second largest number of aeronautics jobs in the country, behind California. This is due primarily to NASA Lewis, Wright Patterson, the Ohio Aerospace Institute, and Ohio's university system. Anchoring these jobs is Lewis. It attracts world class scientists and engineers to world class facilities.

Did the Senator from Maine and her cosponsors consider this impact when they put together their amendment? I do not think so.

Mr. President, Lewis employs directly about 4,500 people. About one-third of these are in some way connected to aeronautics research. But the multiplier effect is significant. The people employed at Lewis attract other businesses, or help form new ventures and stimulating the economy. Gutting these two programs would have a serious impact on this dynamic system.

Mr. President, I ask unanimous consent that several relevant documents be printed in the RECORD.

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

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION, OFFICE OF THE ADMINISTRATOR,

Washington, DC, May 8, 1995.

Hon. PETE V. DOMENICI,

Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR SENATOR DOMENICI: I am writing to express NASA's strong objection to the recommendation by the Congressional Budget Office (CBO) in its February 1995 Report to the House and Senate Committees on the Budget, ''Reducing the Deficit: Spending and Revenue Options,'' to eliminate NASA's Advanced Subsonic Technology and High Speed Research programs. I request that this recommendation not be included in assumptions supporting the Committee's forthcoming FY 1996 Budget Resolution.

In making its recommendation, CBO contends that these programs develop technologies which should be developed by the private sector, namely large aircraft companies. The aeronautics program conducted by NASA and its predecessor, the National Advisory Committee on Aeronautics, has, since 1917, developed a wide range of precompetitive technologies to address safety, environmental, and aviation system capacity issues, as well as aircraft performance. The research and technology results, used by other U.S. Government or commercial entities, directly benefit air travellers and the general public while contributing to U.S. economic strength and national security. NASA's role is to develop high-risk, high-payoff technologies to a point where feasibility is proven and transfer those to FAA, DOD and U.S. industry. It is up to U.S. companies to make the substantial investments to validate the technologies and incorporate them into specific products and systems. Individual companies simply cannot undertake the high-risk research and technology development NASA does; investments are unrecoverable and often beyond the capability of a single company.

Estimates for global aircraft market demand over the next 15 to 20 years range from $800 billion to $1 trillion. However, this market could be much smaller if it is constrained by safety and system capacity and/or an inability to meet more stringent environmental standards. Part of NASA's aeronautics research addresses these issues, i.e., to ensure the largest possible market for which U.S. companies will compete. U.S. companies currently hold about two-thirds of the global market; their primary competitor, Airbus Industries, is aiming to capture a full half of the market in the next 10 years. A recent study by DRI/McGraw-Hill estimates that a 1 percent gain in U.S. market share generates 9,000 jobs (40 percent in aerospace and 60 percent in supporting industries), $360 million in sales, and $120 million in Federal tax revenue each year. Aviation contributes between $25 and $30 billion annually to the U.S. balance of trade, the largest of any U.S. manufacturing industry.

I believe CBO is inaccurate in stating ''the benefits from the R&D supported by the NASA programs in question fall almost exclusively to aircraft manufacturers, their suppliers, and airlines.'' These enabling advances provide the basic tools for U.S. industrial innovation. While NASA R&D contributes to a stronger U.S. aviation industry, the benefits are broader. Terminating these important technology programs would have repercussions far beyond the short-term profitability of U.S. aircraft manufacturers and airline operators. Joint NASA-FAA efforts to safely increase the capacity of the airspace system, eliminating costly and unproductive delays, would end. Technologies to ensure that the aging aircraft fleet remains safe and cost-effective would not be developed. U.S. efforts to develop rational positions on proposed international environmental regulations governing airline operations would be severely hampered, and new technologies to meet increasingly stringent environmental requirements would not be developed. The Nation's only precompetitive technology development for general aviation, commuter, and civil tiltrotor aircraft would end.

NASA understands the continued budget pressures facing the Nation. In fact, NASA has led the Federal Government by reducing its outyear budget by 30 percent since 1993 and is engaged in a major effort to identify an additional $5 billion in reductions between FY 1997 and FY 2000. We shall continue to seek efficiencies and streamline our processes to ensure that the Nation has the best possible civil aeronautics and space program, conducting cutting-edge research and technology which will lead the United States into the 21st century.

Sincerely,

DANIEL S. GOLDIN,
Administrator.

RESPONSE TO CBO RECOMMENDATION TO ELIMINATE NASA'S SUPPORT FOR PRODUCERS OF COMMERCIAL AIRLINERS

CBO criticizes NASA's Advanced Subsonic Technology (AST) Program's goal of maintaining current U.S. market share in subsonic aircraft.

Aviation generates almost one million high quality jobs in the U.S. and contributes between $25 and $30 billion annually to the U.S. balance of trade—the largest of any U.S. manufacturing industry.

U.S. aircraft and engine manufacturers must compete effectively on both cost and technical capability with government-subsidized foreign competition. Airbus already claims more than one-third of the commercial aircraft market; their goal is 50% by 2005.

The AST program addresses future technology needs not only in next-generation subsonic aircraft, including small general aviation aircraft and civil tiltrotor as well as large transports, but also for safety and capacity of the evolving airspace system and environmental concerns.

NASA's role is to develop high-risk, high-payoff precompetitive technologies to a point where feasibility is proven and transfer those to FAA, DOD and U.S. industry. Industry picks up the technologies, and with its own resources continues development, performs systems-oriented research and applies them to specific products.

CBO criticizes NASA's role in High Speed Research (HSR).

The technologies required for an environmentally compatible, economically viable High Speed Civil Transport (HSCT) aircraft are beyond today's state-of-the-art. Before industry can decide whether to invest the roughly $20 billion required to develop an HSCT, some level of confidence must be established that it could meet noise and emissions standards and that airlines could operate it profitably. The HSR program was designed to develop precompetitive technologies to eliminate the highest technology risks for a future HSCT, ensuring U.S. leadership.

The first to market a successful HSCT stands to gain $200 billion in sales and 140,000 new jobs.

CBO criticizes NASA's work in technologies that will allow the continued operation of aging jet aircraft.

25% of planes flying today are more than 20 years old, beginning to exceed their design life. The trend is to fly aircraft 30 years or more; as airlines continue to operate on the edge of profitability they cannot afford new aircraft. It is essential that these aging aircraft remain safe.

CBO contends that ''the benefits from the R&D supported by the NASA programs in question fall almost exclusively to aircraft manufacturers, their suppliers, and airlines.''

A recent study by DRI/McGraw-Hill estimates that a 1% gain in U.S. market share will generate 9,000 jobs (40% in aerospace and 60% in supporting industries), $360 million in sales and $120 million in Federal tax revenue each year.

NASA's programs address critical issues of safety, airspace system capacity, and environmental aspects of flight which benefit air travellers and the general public.

CBO contends that noise and atmospheric pollutants generated by air travel are unpaid ''costs'' that travellers impose on the public at large and therefore air travellers should pay the full cost, including R&D for aircraft.

Air travel is global, not national, just as the aircraft market is global. Airline operators will buy the best aircraft at the best price. If U.S. manufacturers were to incorporate the price of meeting international, government-established environmental regulations into their products they would quickly go out of business competing against government-subsidized competition.

ADVANCED SUBSONIC TECHNOLOGY

National investment in high-risk, high-payoff technologies will help ensure continued U.S. leadership in aviation, which brings significant economic and national security benefits to the Nation. Aviation generates almost one million high quality jobs in the U.S. and contributes between $25 and $30 billion annually to the U.S. balance of trade—the largest of any U.S. manufacturing industry.

NASA addresses a broad range of advanced technology needs for both civil and military aviation. The Advanced Subsonic Technology (AST) program specifically addresses future technology needs in next-generation subsonic aircraft (from large commercial jets to small general aviation aircraft) and the evolving airspace system. NASA's role is to develop high-risk, high-payoff precompetitive technologies to a point where feasibility is proven and transfer those to FAA, DOD and U.S. industry. Industry picks up the technologies, and with its own resources continues development, performs systems-oriented research and applies them to specific products.

Recent accomplishments in the AST program include:

The first integrated engine noise prediction code was delivered to industry for use in designing quieter engines to meet future noise standards.

Nondestructive evaluation techniques for detecting corrosion, cracks and disbonds in aircraft have been licensed to industry to help keep the aging aircraft fleet safe.

Tropospheric climatology data has been collected, to assist in understanding long-term changes in nitrogen oxides in the lower atmosphere caused by aircraft.

Analytical tools to understand aircraft wake vortices are being developed, which will contribute to revised safe aircraft landing separation standards.

An experimental database is improving understanding the relative acoustic and aerodynamic benefits of different rotor configurations for future civil tiltrotors.

FY 1995 Budget: $125.8 million.

FY 1996 Budget: $188.4 million.

Possible impact of significant reduction/termination:

Efforts to develop technologies to increase the capacity of the airspace system, increasing safety and expanding the aircraft market, would be severely curtailed. Weather and capacity delays cost airline operators $3.5 billion a year, and cause untold hours of unproductive time for the travelling public.

Technologies to ensure that the aging aircraft fleet (25% of planes flying today are more than 20 years old) remains safe and cost-effective would not be developed.

U.S. efforts to develop rational positions on proposed international environmental regulations would be hampered by not developing better understanding of aircraft noise and pollution effects and technologies to minimize those effects.

The only technology development efforts in the U.S. for general aviation, commuter and civil tiltrotor aircraft would be terminated.

The ability of U.S. aircraft and engine manufacturers to compete effectively on both cost and technical capability with government-subsidized foreign competition would be seriously hampered. Airbus already claims more than one-third of the commercial aircraft market, and their goal is one-half by 2005.

HIGH SPEED RESEARCH

NASA's High Speed Research (HSR) Program is performing the early, high-risk technology development for an environmentally compatible, economically competitive high speed civil transport (HSCT) aircraft. Such a plane would fly at more than twice the speed of sound and carry 300 passengers over 5000 nautical miles at fares close to today's subsonic aircraft (747, DC–10, etc.). Before industry can decide whether to make the roughly $20 billion investment to develop an HSCT, some level of confidence must be established that it could meet international noise and emissions standards, and that airline operators would be able to operate it profitably. The technologies to achieve this are beyond today's state-of-the-art. The HSR program was designed to eliminate the highest risks and ensure U.S. leadership in this important arena.

Recent accomplishments:

Completed research campaign in the South Pacific to characterize the stratosphere for incorporation in atmospheric simulation models which will be used to determine the potential impact of future HSCT aircraft.

Achieved test goal for low-emission engine combustors (NO_x level of 5g/kg fuel burned—the Concorde emissions index is 20g/kg)

Demonstrated a process to fabricate up to 10 feet per minute of fiber/resin composite material suitable for high temperature use, making the essential use of these materials for an HSCT affordable.

FY 1995 Budget: $221.3 million.

FY 1996 Budget: $245.5 million.

Possible impact of significant reduction/termination:

Interim assessment of atmospheric effects of a supersonic aircraft fleet would not be completed. This assessment is to support work by the International Civil Aviation Organization (ICAO) on setting an HSCT emissions standard.

Engine noise reduction tests and analysis to determine whether an HSCT could comply with strict international noise standards (Annex 16, Chapter 3 set by ICAO) would be stopped.

The U.S. share of the global long-range aircraft market could drop to under 50%, if technology development is stopped and Europe is first to market with a successful HSCT. This would result in larger trade deficits and the loss of hundreds of thousands of high-skill, high-wage jobs. If the U.S. is first to market, the U.S. market share could grow to nearly 80%, and crate $200 billion sales and 140,000 new jobs.

FISCAL YEAR 1996 ESTIMATED TOTAL AERONAUTICS EMPLOYMENT BY STATE

OA rank	State	Total employment	Funding (millions)
1	California	4,783	$382.6
2	Ohio	2,564	205.5
3	Virginia	1,466	117.3
4	Washington	519	41.5
5	Maryland	356	28.5
6	Texas	263	21.0
7	Connecticut	193	15.4
8	Wisconsin	171	13.7
9	District of Columbia	165	13.2
10	Georgia	113	9.0
11	Massachusetts	106	8.5
12	New York	84	6.7
13	Pennsylvania	73	5.8
14	Florida	70	5.6
15	Indiana	60	4.8
16	Missouri	56	4.5
17	Colorado	39	3.1
18	Illinois	38	3.0
19	Tennessee	28	2.2
20	North Carolina	26	2.1
	Other	226	18.2
	Total	11,399	911.9

Mr. DOMENICI. Mr. President, how much time remains?

The PRESIDING OFFICER (Mr. DEWINE). The Senator from New Mexico has 13 minutes, and the Senator from Maine has 17 minutes.

Mr. DOMENICI. Might I ask the distinguished Senator from Maine, does she need all 17 minutes? We are trying to expedite things.

Ms. SNOWE. Yes.

Mr. DOMENICI. I wonder if we might reach this agreement. I understand there is one second-degree amendment contemplated. I assume that we could enter into a unanimous-consent agreement about that.

Let me ask Senator SNOWE, could she get by with 10 minutes?

Ms. SNOWE. Yes.

Mr. DOMENICI. I could use 10 minutes. Then we could move to a second-degree amendment by Senator DODD for 5 minutes on a side.

Mr. EXON. First, the second-degree amendment by Mr. DODD, as I understand it, is the same second-degree amendment being considered by the Senator from Minnesota, and also the Senator from Massachusetts. Is that correct? We are talking about one second-degree amendment?

Mr. DODD. Yes.

Mr. EXON. Certainly, we would agree. We will need about 2 minutes for the negotiations that are going on. I think we are pretty close to making an arrangement along the lines that you outlined.

Mr. DOMENICI. I am going to get somebody to come to the floor, but I leave this suggestion. I must attend a meeting on the final wrap-up on this bill now, but we would be willing to have 5 minutes on a side on the Dodd amendment, which I have seen, which essentially is a change on the tax side of the equation, and spend the tax money in two ways, part of it on entitlement programs for education and part on discretionary, and we would take 5 minutes on our side on that, 10 minutes each here. Then I would authorize somebody to enter into that agreement in my behalf in my absence.

Mr. DODD. If my colleague will yield, I wonder if I might get a couple of minutes on the Snowe amendment itself. Is that a possibility? Of the time you have?

Mr. DOMENICI. Mr. President, I cannot hold the Senator to this, but if the Senator will talk about the Snowe amendment and not about education in general, that would be fine. The Senator wants to speak against that amendment?

Mr. DODD. I do.

Mr. DOMENICI. If I am going to give the Senator time against it, I want him to be against it.

Mr. DODD. I intend to be against the Snowe amendment.

Mr. DOMENICI. And the Senator will speak against it?

Mr. DODD. Absolutely.

Mr. DOMENICI. All right, I yield Senator DODD 2 minutes of my time.

Mr. WELLSTONE. I wonder if my colleague from New Mexico, upon condition that I speak against the Snowe amendment, would grant me time?

Mr. DOMENICI. I will give the Senator 2 minutes of my time.

How much did I give the Senator?

Mr. DODD. The Senator did not.

Mr. DOMENICI. I give the Senator 2 minutes of my time. Each Senator gets 2 minutes in opposition and that will keep 6 for me, and then Senator SNOWE has the full 10 minutes to speak to the Senator's amendment.

Mr. EXON. Is that in the form of a unanimous-consent request?

Mr. DOMENICI. The Senator said he needed some time. Is he willing to do that?

Mr. EXON. That is agreeable to those on this side.

Mr. DOMENICI. Let us give it a try.

Mr. KENNEDY. Reserving the right to object, and I do not intend to object, will the result of that proposal ensure that we will have an opportunity to vote on the Dodd amendment in a timely way?

Mr. DOMENICI. Sure. We will not amend it. We do not guarantee that somebody will not table it, but we will have a vote on it and we will agree to stack it in the normal way that we are doing the others.

Mr. KENNEDY. So it would be treated as a second-degree amendment?

Mr. DOMENICI. Exactly.

Mr. KENNEDY. In that particular order.

Mr. DOMENICI. Correct.

Let us try this, Mr. President. First of all, I am going to yield 2 minutes in opposition to the Snowe amendment to Senator DODD, 2 minutes to Senator WELLSTONE, and I reserve the remainder for myself.

The total amount of time that is going to be used on the Snowe amendment—and we yield back whatever other time we have—is 10 minutes by Senator SNOWE and a total of 10 minutes in opposition, of which 4 have just been allocated.

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

Mr. DOMENICI. Let me move on then to a unanimous-consent request. There will only be one second-degree amendment. It shall be an amendment offered by Senator DODD which has been described here and presented to the Senator from New Mexico. There will be 5 minutes on a side, 5 minutes by Senator DODD, 5 minutes in opposition, either by myself or Senator SNOWE. We will then proceed to an amendment by Senator HATFIELD immediately after that. And when the time has expired on the second-degree amendment—there shall be no other second-degree amendments—we will then stack the second-degree amendment pursuant to the previous understanding, that the leader will arrange the order and there will be a vote on or about the Dodd amendment in the stacked order.

Mr. EXON. I certainly do not object. I would just simply wish to expand this in order to move things along. We are prepared to consider time agreements now on both the Hatfield amendment and the amendment following that to be offered by Senator BOXER.

Is the Senator from New Mexico in a position to talk about time agreements on the Hatfield amendment?

Mr. DOMENICI. I am going to a meeting right now at which I think the Senator will be in attendance, and I will seek some relief on time.

Mr. EXON. I thank the Senator.

Mr. DOMENICI. I yield the floor at this time.

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

The Senator from Connecticut.

Mr. DODD. Mr. President, I rise this morning to express my objection to the Snowe-Abraham amendment. This amendment proposes to restore some $6.3 billion in education, specifically to reduce the Labor Committee's instruction by this amount in an effort to stave off severe cuts in student loans.

Let me at the outset say I appreciate the fact that there is at least some recognition of the fact we ought to be trying to restore some of these critical funds in education.

Education has always been an issue that has transcended politics in many ways. There has been a deep commitment historically to it on both sides of the aisle, and yet the Budget Committee proposal that is before us, even with the Snowe-Abraham amendment, offers education too little too late, I would say, Mr. President.

It is too little in that it offers students an umbrella in the midst of the hurricane they face with this budget proposal, even if this amendment were to be adopted. It will provide some protection but it is the thinnest of fig leaves in that the committee will still have to eliminate $7.5 billion from student loan programs.

I have been through a number of reconciliations on the Labor Committee and make no mistake about it—there is only one place you can find $7.5 billion, and that is in student loans. There is no other place within our committee's jurisdiction. And so we will be faced with looking ways to cut loans for working-class families, middle-class families many who do not qualify for Pell grants, do not have the personal affluence, and yet long for the better life that higher education can offer their children. And these will be the Americans who bear the brunt of these cuts.

Now, these cuts may take many forms. It could come from the elimination of the in-school interest subsidy which can amount to additional costs of as much as $4,000 for a working family in this country; it could come through increased fees, through the elimination of the 6-month grace period, or an increase in the interest on student loans or any combination of those, again all money out of students' pockets. The bottom line is students and families are going to pay dearly as a result of what is in this budget, even if we adopt the Snowe-Abraham amendment.

This amendment is also too late, Mr. President, because the amendment only addresses the end of the education pipeline, higher education. Our world class higher education sector is in no way secure if our efforts in college preparation, elementary and secondary schools, Head Start and other areas are going to be severely undercut.

This amendment is sort of the double whammy for these critical discretionary programs. Not only does it not address the cuts proposed in these programs, it also further cuts into discretionary programs to offset the reduction it makes on the mandatory side.

Mr. President, we will offer a second degree amendment as an alternative which offsets $28 billion in cuts in education with very specific plugging of corporate loopholes which we can identify specifically, which Mr. KASICH on the House side identified as areas that should be looked at in the effort to balance our Federal budget.

So I would urge rejection of this amendment, with all due respect. We will have a substitute that will allow for this body to vote on truly whether or not they want to see these working-class families in this country get a break when it comes to education.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 2 minutes.

Mr. WELLSTONE. Mr. President, last year in Minnesota over 14,000 students received assistance from the Federal Stafford Loan Program—14,000 students.

I just rise to speak in opposition to the Snowe amendment and say that I am proud to be an original cosponsor of the Dodd amendment.

Mr. President, this is, indeed, too little too late. What we are faced with right now are some really draconian cuts that will do irreparable harm to higher education in America. In the second-degree amendment we are going to introduce, we focus on corporate welfare or tax expenditures.

Mr. President, I would far prefer for some of the oil companies, some of the large pharmaceutical or insurance companies or large financial institutions to be tightening their belts and to be a part of the sacrifice than I would go forward with deep cuts in financial assistance for higher education.

I cannot think of a more important middle-class issue as a former college professor than this issue.

I do not have time, but if I had time I could recite story after story after story after story of students who have written letters to me and made phone calls saying for God sake, please do not deny us the opportunity to have an affordable higher education. No matter how you cut it, that is what these cuts are all about. I do not even have a chance in the 2 minutes to talk about earlier education which is, of course, equally important.

These cuts in higher education are myopic. These cuts are profoundly mistaken for our country. These cuts will have an accrual effect on students all across the across the nation from Ohio to Minnesota, and the Snowe amendment in that respect is really just a little bit more than symbolic—too little, too late. We can do much, much better in how we sort out our priorities.

I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. How much time is remaining on our side?

The PRESIDING OFFICER. The Senator from Maine has 10 minutes. The opposition now has 6.

Mr. MURKOWSKI. I thank the Chair. I would yield such time as the Senator from Maine may need on the available time.

Ms. SNOWE. I thank the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Maine.

Ms. SNOWE. I found quite interesting the debate that has been offered here today on my amendment.

First of all, just to recap my amendment, it is to restore $6.3 billion in the education account. And, yes, we do provide specific offsets. That should be no

surprise if you are attempting to provide a credible alternative.

And that is why I am somewhat confused by the debate here this morning, because I heard from the Senator from Ohio that my offsets are binding but then we heard from the Senator from Massachusetts that they are not binding.

Well, I think we all understand the true nature of the budget process in the Congress. No, the instructions in the budget resolution are not binding. But if you are attempting to provide real numbers to demonstrate that they are credible, then it is responsible to recommend some specific offsets.

It is also true the committees do not have to follow those instructions. I understand that and the cosponsors of this amendment understand that. But we want to make sure that everybody understands that there is a way to reach those numbers. That is what is important.

The second issue is whether or not you live in a fiscal fantasy land. The difference between the amendment that I am offering here today with the cosponsors of this amendment and those who oppose it is we support a balanced budget. If you support a balanced budget, you have to make some choices. If you do not support a balanced budget, you do not have to make any choices. You can spend in an unlimited fashion.

The amendment that they will be offering will recommend reducing corporate welfare and tax loopholes. You cannot object to that. But exactly how are we going to reach that goal? They do not specify. No, they do not want to specify, because they do not want to receive any opposition to those specific offsets, just as they do not support a balanced budget because they do not want to make any real choices as to how we get there. So that is the difference.

My amendment is a credible amendment. It restores specific funding for specific issues with respect to student loan assistance. Yes, I would like to do more. But there are those on my side saying, ''You are doing too much,'' and then I hear from the other side of the aisle who say, ''No, you are not doing enough.'' Well, I think my amendment is somewhere in the middle. Hopefully, we will do more in the final analysis.

The amendments that have been offered to restore funding for education have used the illusory dividend. Well, that is just gimmickry at this point. That dividend may come down at the end of this process when reconciliation is in place. That does not give adequate instructions to the committee. It is not money that they can use right now and everybody knows it.

So if we really want to restore funding to education, if we really want to address the home and farm equity issue so that it is not used to determine one's income eligibility for student loans, if we want to keep the origination fee at 3 percent, if we want to have an adequate grace period, then you support the Snowe amendment.

And, I should add who the cosponsors are of my amendment: Senator KASSEBAUM, Senator LOTT, Senator COHEN, Senator ABRAHAM, Senator BROWN, Senator GRASSLEY, Senator CHAFEE, and Senator KEMPTHORNE.

In fact, I ask unanimous consent to add Senator KEMPTHORNE from Idaho as a cosponsor of this amendment.

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

Ms. SNOWE. Mr. President, I reserve the remainder of my time.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. How much time is remaining on this side?

The PRESIDING OFFICER. The Senator from Alaska has 6 minutes remaining.

Mr. MURKOWSKI. I yield 6 minutes to my friend from Oklahoma.

Mr. INHOFE. I thank the Senator from Alaska.

Mr. President, last night, when we were watching the discussion take place, a comment was made by the Senator from Wyoming that the debate is getting redundant on this budget; that we have heard about every argument there is to hear and now we are working on repetition to try to drive it in.

It occurred to me that it sounded very much like the debate that we had on the balanced budget amendment to the Constitution. At that time, people were standing up and saying, ''Well, give us the details. Give us the details. Where do you want to make cuts? What do you want to do with Medicare and Social Security,'' and all the contentious items that we can so easily demagog?

I can suggest right now we have the details. But I wanted to take a couple of minutes this morning to share one thing with you, and that is we know pretty much how it is going to come out. We know who is going to vote for it and who is going to vote against it. And we know why.

First of all, the argument has been used that there are cuts. We have talked about this over and over again. They are not cuts in the Medicare system. We are talking about a growth factor that is built in. And the same thing is true with all the other areas that people are very much concerned with.

What we are trying to do is take this one last golden opportunity that we have—this is it, our chance to fulfill that obligation that the American people gave to us back on November 8 with a mandate. The No. 1 mandate was to balance the budget. This is an opportunity to do it. The House has already done theirs. All we have to do is do it here. I think the votes are here to do it.

But I have heard people stand up, such as one Senator the other day, and say every Senator wants to balance the budget. I suggest, Mr. President, that is not true. I suggest that they want people to think they want to balance the budget, but what it gets down to is they are basically traditional big spenders and big taxers and they want the status quo. They want to keep Government going as it has been going.

To demonstrate this, I am going to tell you, Mr. President, who is going to be voting against this. The same people who will be voting against it today are the ones that voted for and are the right-to-know supporters. These are the ones that did not want a balanced budget amendment to the Constitution.

So during that debate, I characterized who these people are who do not want a balanced budget amendment to the Constitution and today do not want a balanced budget. I suggest to you they are the ones that can be identified with a voting behavior of taxing and spending.

And I use as my examples the tax bill of 1993, the tax bill that was a Clinton bill that some people are touting as the great deficit reduction bill. In fact, it did not reduce any programs. All it did was increase taxes, the largest tax increase in history—$267 billion. That is not what the American people wanted. It was an increase in taxes on all segments of society, a Social Security tax increase for thousands of Social Security recipients. It was a 70-percent increase. Yet, these individuals who will vote today against this balanced budget are the ones who voted for that tax increase.

Then along came the Clinton stimulus program. It was characterized by a Democrat in this body as the largest single spending increase in the history of public finance in America or anywhere in the world. Such things as the $2.5 billion for swimming pools, parking lots, ice rink warming huts, alpine ski lifts, and other pork barrel projects; $1 billion for summer jobs, $1.1 billion for AIDS treatment and food distribution, on and on and on, all these spending increases that supposedly were going to stimulate the economy.

So I characterized those individuals who voted for those two bills and also who are rated as big spenders. There are a number of corporations that rate big spenders. The main one is the National Taxpayers Union. So I looked at those individuals who cosponsored the Right To Know Act which was the one to demolish, to do away with, the balanced budget amendment and stop our effort for a balanced budget.

I found, of all the 41 cosponsors, all 41 voted yes on the biggest spending bill in the history of this body. And all 41 of those individuals had a National Taxpayer Union rating of D or F.

So, Mr. President, I think that we have had a lot of debate on this. But when it gets right down to it, the bottom line is this: Those individuals who are trying to hold on to the past, those

who are trying with white knuckles to hold on to the status quo, those who did not hear the mandate that was so loud and clear on November 8, 1994, are going to be voting for big spending, big government, tax increases, spending increases and vote against the balanced budget that we have up before us today.

I believe it will pass, because those individuals who are for the status quo are now in a minority.

Thank you, Mr. President. I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. How much time is remaining on our side?

The PRESIDING OFFICER. Twenty-two seconds in opposition; and 6½ minutes for the Senator from Maine.

Mrs. HUTCHISON. Six-and-a-half minutes remaining for the Senator from Maine?

The PRESIDING OFFICER. Six-and-a-half minutes remaining.

Ms. SNOWE addressed the Chair.

The PRESIDING OFFICER (Mr. BURNS). The Senator from Maine.

Ms. SNOWE. Mr. President, since I have a few remaining moments on my amendment, I think it is important to restate the case of how essential it is to restore funding to education, and the difference in the amendments that are being offered this morning is a difference between being able to realistically restore funding to education or not, because you will hear from the other side in presenting an amendment that there will not really be any specific offsets. While it is true that my offsets are not binding on the committee, at least we are being responsible in the approach that we are taking.

I think this amendment is critical because it does provide $6.3 billion. It will be protecting some very serious student loan assistance programs, and I want to make sure that the low- and middle-income families are not affected by any changes in the student loan programs.

I also want to ensure that the Labor and Human Resources Committee has the ability to protect the student loan assistance programs in the way that we have recommended in this amendment, so that they will not feel compelled to include home and farm equity in determining one's income eligibility, they will not feel compelled to raise the origination fee from 3 to 5 percent, and they will not feel compelled to eliminate an adequate grace period.

I know there are some who are opposed to the offsets, but the committees are the ones who are ultimately responsible for the way in which we provide the restoration of funds. They have the options to pursue other courses.

The fact of the matter is, we have to take a responsible course by recommending ways in which we can reach our goals as identified in this amendment.

I think that it is very, very important that we restore some of the funding in the education accounts. It is something that I argued within the Budget Committee during the time in which we were assembling this resolution. I wish it were more, but I also understand the delicate balance in crafting this budget resolution to reach the historic goal of balancing the budget by the year 2002.

I wish that we could identify other areas and perhaps that will ultimately develop in the process. Maybe the dividend down the road, but that dividend is not here today, and I think everybody should understand that. The dividend is not available to be used because it is not there yet. We have to pass a balanced budget plan and reconciliation has to become law for the Congressional Budget Office to score a potential dividend. That will materialize over 7 years, so that is not money that can be used by the Appropriations Committee or considered by the authorization committees as they develop their programmatic changes.

So it does not make sense and it is gimmickry to suggest that we are going to use an illusory estimate. So if you hear about amendments, as we will hear from others this morning, about restoring funding by using this dividend, it means nothing because it is not available and it is not there yet.

So if you support restoring $6.3 billion in education and doing it in a responsible way, then I hope you will support the Snowe amendment that is cosponsored by 10 Members of the Senate.

Mr. BURNS. Mr. President, the Dodd second-degree amendment is, in effect, an increase in taxes and I am opposed to any increase in tax.

However, I am also opposed to the Snowe amendment.

Let me begin by stating that I am a strong supporter of educational funding. I am firmly opposed to the drastic cuts in educational programs and funding which is outlined in the House resolution. I believe that these cuts, while well-intentioned, are shortsighted. Such cuts ignore the long-term benefits of preparing America's children to assume their position in the world market, and for that reason I oppose those cuts.

By the same token, however, I believe that Senator SNOWE'S amendment is shortsighted. I believe that we, as guardians of our children's future, are charged with the moral obligation to not only educate our children but also to insure that there will be jobs available for them to assume once they have been educated. To ignore either is irresponsible.

Now let us take a look at what is on the table. The High-Speed Research Program was designed to develop precompetitive technologies for high-speed civil transport aircraft. Once developed, the technology is transferred to the Federal Aviation Administration, the Department of Defense, and U.S. industry. It is estimated that the first organization to market such an aircraft stands to gain $200 billion in sales and 140,000 new jobs. In short, this program accomplishes three goals that are vital to the United States' financial solvency: First, it increases new jobs, which increases the country's tax base; second, it generates sales for U.S. industry, which increases the country's GNP, and, in so doing, increases the country's tax base; and third, it insures the United States' continued leadership in this field, thus forecasting future revenues.

Likewise, the Advanced Subsonic Technology Program generates substantial long-term revenue benefits. This program is designed to protect the United States' market share in subsonic aircraft, an area which generates almost a million high quality jobs in the United States and contributes between $25 and $30 billion annually to the U.S. trade balance—which, incidentally is the largest of any U.S. manufacturing industry. These programs are moneymakers, and to eliminate them for any reason is fiscally irresponsible.

This is particularly true under the present circumstances, where the chairman's budget adequately addresses the concerns raised by Senator SNOWE. Senator SNOWE'S amendment seeks to restore $6.3 billion over 7 years for undergraduate loans—$1.124 billion of this from the termination of the NASA programs.

However, the chairman's resolution protects undergraduate student loans. Under Chairman DOMENICI'S resolution, interest on loans for undergraduate education does not accrue until graduation. So, for all students who enter the work force immediately after college, nothing has changed. With regard to individuals who choose to pursue graduate or professional coursework, interest would not accrue on their college debt until they complete this coursework. Chairman DOMENICI's resolution does change the present student loan program with respect to deferring interest payments accruing upon graduate and professional coursework. However, this burden is lessened by the chairman's budget by preserving the benefits of capped interest rates on student loans, federal guarantees, opportunities to defer payments in case of economic hardship, and Federal fellowship programs targeted specifically toward graduate students.

The Snowe amendment ignores the long-term impact that terminating these programs would have upon the U.S. balance of trade, the GNP and its consequent U.S. Treasury implication, and the generation of jobs in America. Consequently, I oppose this amendment, and urge my fellow colleagues to do the same.

Mr. President, I yield the floor.

AMENDMENT NO. 1128

Ms. MIKULSKI. Mr. President, I rise in opposition to the amendment offered by Senator SNOWE and others that

would reduce funding for NASA's Aeronautics Program by $1.1 billion over the next 5 years. The $1.1 billion reduction proposed in the Snowe amendment for Aeronautics is in addition to the $800 million reduction proposed for NASA's Aeronautics Program that is included in the chairman's mark.

The effect of the Snowe amendment would be to eliminate NASA's Advanced Subsonic Technology Development and High-Speed Research programs which make up the core of NASA's Aeronautics program.

Mr. President, the aeronautics industry contributes over 1 million high quality jobs to the U.S. economy and generates $20 to $30 billion in exports each year. But U.S. aircraft and engine manufacturers must compete on both cost and technical capability against government-subsidized foreign competition.

The European Airbus Consortium already claims more than one-third of the commercial aircraft market, a market once dominated by U.S. manufacturers. The goal of Airbus is to control 50 percent of the global market by the year 2005.

I do not intend to let the Europeans accomplish their goal, Mr. President. That is why, when I was chair of the VA–HUD Appropriations Subcommittee, I pushed NASA to expand their research and technology efforts in aeronautics.

NASA's Advanced Subsonic Technology program specifically addresses future technology needs in next-generation subsonic aircraft—from large commercial jets to small general aviation aircraft—and the evolving airspace system. NASA's role is to develop high-risk, high-payoff pre-competitive technologies to prove technical feasibility and then transfer these new technologies to the FAA, DOD, and U.S. industry.

Elimination of the Advanced Subsonic Technology program would terminate NASA's efforts to develop technologies to increase the capacity of the airspace system, to ensure that the existing aging aircraft fleet remains safe and cost-effective, and that the technologies needed for U.S. industry to meet international environmental, noise, and pollution regulations are available.

Mr. President, the Snowe amendment would also wipe out NASA's High Speed Research program which is conducting the early, high-risk technology development needed for an environmentally compatible and economically competitive high speed civil transport (HSCT). The goal of this program is develop a plane that would fly at more than twice the speed of sound and carry 300 passengers over 5,000 nautical miles at fares competitive with existing subsonic aircraft.

Mr. President, the stakes associated with the development of the HSCT are enormous. If the Europeans are the first to market an HSCT, it will cost the U.S. larger trade deficits and the loss of hundreds of thousands of high-skilled, high-wage jobs. If the U.S. wins this race, the U.S. market share for commercial aircraft could grow to nearly 80 percent, and create $200 billion in sales and 140,000 new jobs.

Mr. President, I happen to believe that the best social program is a job, and that job creation in America must be linked to our manufacturing base. Manufacturing in the new economy of a post-cold war era will require high technology and competitiveness in the global marketplace.

America's future in manufacturing begins and ends with aeronautics. Commercial aviation is one of the few areas of manufacturing where the U.S. continues to export more than we import, and where we are able to provide high-skilled, high quality jobs for American workers.

Mr. President, I do not intend to let our commercial aviation industry go the way of the VCR, the automobile, or the textile industry. I intend to fight to keep the U.S. aeronautics industry competitive so that we preserve the jobs we have and the job opportunities needed for the 21st century.

The Snowe amendment would reduce funding for NASA's Aeronautics Program by two-thirds over the next 5 years. The amendment is shortsighted and threatens our ability to develop a manufacturing strategy for this Nation.

I urge my colleagues to oppose this amendment. I yield the floor.

Mr. BYRD. Mr. President, I oppose the amendment offered by my distinguished colleague from Maine, Senator SNOWE. I, too, am concerned about the deep cuts—$14.6 billion over 7 years—in the William D. Ford Federal Direct Loan and Federal Family Education Loan Programs which make it possible for many of our young people to pursue a higher education.

However, I cannot support an amendment to restore funding for mandatory programs, such as the $6.3 billion for these student loan programs, by cutting nonmilitary discretionary programs by an equal amount. In other words, it would not cut military spending at all, even though it is the only area of the discretionary budget that will not be cut under this budget resolution. Not only is this robbing Peter to pay Paul, it violates the Budget Enforcement Act of 1990 which prohibits offsetting tax cuts or mandatory program expansions with cuts in discretionary programs.

In addition, it is not growth in nonmilitary discretionary programs which is driving up the Federal deficit. This spending has been at a hard freeze or below since 1993. The budget resolution before us would cut nonmilitary discretionary programs nearly $200 billion below a freeze over the next 7 years. Meanwhile, mandatory programs and tax expenditures will continue to grow—the latter with no restraint at all under this budget resolution.

No one understands the value of a higher education better than I, but I cannot support this amendment which would set an unacceptable precedent for funding mandatory programs with nonmilitary discretionary program cuts.

Mr. DODD. Mr. President, has all time been yielded back?

The PRESIDING OFFICER. The Senator from Maine has 2½ minutes remaining.

Mrs. HUTCHISON. Mr. President, we yield back the remainder of our time.

The PRESIDING OFFICER. Does the Senator from Maine yield back her time?

Ms. SNOWE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

AMENDMENT NO. 1131 TO AMENDMENT NO. 1128

(Purpose: To restore $28 billion in outlays over seven years to reduce by $16 billion the discretionary cuts proposed in education and reduce the reconciliation instructions to the Committee on Labor and Human Resources (primarily affecting student loans) by $12 billion by closing corporate tax loopholes)

Mr. DODD. Mr. President, I send a substitute to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Connecticut [Mr. DODD], for himself, Mr. HARKIN, Mr. HOLLINGS, Mr. KENNEDY, Mr. JEFFORDS, Mr. PELL, Mr. WELLSTONE, and Mr. SIMON, proposes an amendment numbered 1131 to amendment No. 1128.

Mr. DODD. 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:

Strike all after line 1 and insert:

On page 3, line 10, increase the amount by $5,100,000,000.

On page 3, line 11, increase the amount by $3,400,000,000.

On page 3, line 12, increase the amount by $3,600,000,000.

On page 3, line 13, increase the amount by $3,800,000,000.

On page 3, line 14, increase the amount by $4,00,000,000.

On page 3, line 15, increase the amount by $4,000,000,000.

On page 3, line 16, increase the amount by $4,100,000,000.

On page 3, line 20, increase the amount by $5,100,000,000.

On page 3, line 21, increase the amount by $3,400,000,000.

On page 3, line 22, increase the amount by $3,600,000,000.

On page 3, line 23, increase the amount by $3,800,000,000.

On page 3, line 24, increase the amount by $4,000,000,000.

On page 3, line 25, increase the amount by $4,000,000,000.

On page 4, line 1, increase the amount by $4,100,000,000.

On page 4, line 18, increase the amount by $5,100,000,000.

On page 4, line 19, increase the amount by $3,400,000,000.

On page 4, line 20, increase the amount by $3,600,000,000.
On page 4, line 21, increase the amount by $3,800,000,000.
On page 4, line 22, increase the amount by $4,000,000,000.
On page 4, line 23, increase the amount by $4,000,000,000.
On page 4, line 24, increase the amount by $4,100,000,000.
On page 5, line 4, increase the amount by $5,100,000,000.
On page 5, line 5, increase the amount by $3,400,000,000.
On page 5, line 6, increase the amount by $3,600,000,000.
On page 5, line 7, increase the amount by $3,800,000,000.
On page 5, line 8, increase the amount by $4,000,000,000.
On page 5, line 9, increase the amount by $4,000,000,000.
On page 5, line 10, increase the amount by $4,100,000,000.
On page 5, line 17, increase the amount by $28,300,000,000.
On page 5, line 18, increase the amount by $3,800,000,000.
On page 5, line 19, increase the amount by $3,600,000,000.
On page 5, line 20, increase the amount by $3,800,000,000.
On page 5, line 21, increase the amount by $4,000,000,000.
On page 5, line 22, increase the amount by $4,000,000,000.
On page 5, line 23, increase the amount by $4,100,000,000.
On page 6, line 16, increase the amount by $5,100,000,000.
On page 6, line 17, increase the amount by $3,400,000,000.
On page 6, line 18, increase the amount by $3,600,000,000.
On page 6, line 19, increase the amount by $3,800,000,000.
On page 6, line 20, increase the amount by $4,000,000,000.
On page 6, line 21, increase the amount by $4,000,000,000.
On page 6, line 22, increase the amount by $4,100,000,000.
On page 31, line 12, increase the amount by $28,300,000,000.
On page 31, line 20, increase the amount by $3,800,000,000.
On page 32, line 3, increase the amount by $3,600,000,000.
On page 32, line 11, increase the amount by $3,800,000,000.
On page 32, line 19, increase the amount by $4,000,000,000.
On page 33, line 2, increase the amount by $4,000,000,000.
On page 33, line 10, increase the amount by $4,100,000,000.
On page 31, line 13, increase the amount by $5,100,000,000.
On page 31, line 21, increase the amount by $3,400,000,000.
On page 32, line 4, increase the amount by $3,600,000,000.
On page 32, line 12, increase the amount by $3,800,000,000.
On page 32, line 20, increase the amount by $4,000,000,000.
On page 33, line 3, increase the amount by $4,000,000,000.
On page 33, line 11, increase the amount by $4,100,000,000.
On page 64, line 9, decrease the amount by $1,100,000,000.
On page 64, line 10, decrease the amount by $7,900,000,000.
On page 64, line 11, decrease the amount by $12,000,000,000.
On page 65, line 17, increase the amount by $26,700,000,000.
On page 65, line 18, increase the amount by $4,000,000,000.
On page 65, line 24, increase the amount by $2,400,000,000.
On page 65, line 25, increase the amount by $2,000,000,000.
On page 66, line 6, increase the amount by $2,000,000,000.
On page 66, line 7, increase the amount by $2,000,000,000.
On page 66, line 13, increase the amount by $2,000,000,000.
On page 66, line 14, increase the amount by $2,000,000,000.
On page 66, line 20, increase the amount by $2,000,000,000.
On page 66, line 21, increase the amount by $2,000,000,000.
On page 67, line 2, increase the amount by $2,000,000,000.
On page 67, line 3, increase the amount by $2,000,000,000.
On page 67, line 9, increase the amount by $2,000,000,000.
On page 67, line 10, increase the amount by $2,000,000,000.

Mr. DODD. Mr. President, I offer this substitute amendment to the Snowe-Abraham amendment on behalf of myself and Senators HARKIN, HOLLINGS, KENNEDY, JEFFORDS, PELL, WELLSTONE, and SIMON.

As I understand it, there are now 5 minutes to be allocated on either side?

The PRESIDING OFFICER. The Senator is correct.

Mr. DODD. Mr. President, I offer this amendment which will restore $28 billion to our education programs. This is substantially less than the amendment that was offered yesterday by several of my colleagues, but this amendment would reduce the committee's instruction and, thereby, the cuts in student loans by $12 billion and restore $16 billion in discretionary cuts in education.

This amendment is also deficit neutral. While certainly in these resolutions it is ultimately up to the committees of jurisdiction as to where specifically they will make their cuts, I offset this $28 billion and suggest specifically four areas within the Tax Code that would provide up to $65.7 billion in revenues currently lost through corporate tax loopholes.

These areas were identified in a list of corporate tax loopholes compiled by the chairman of the Budget Committee on the House side, Mr. KASICH from Ohio. Let me identify them specifically.

You can pick $28 billion out of the $65.7 billion they would garner. The issue is choosing between these tax loopholes or investing in the education of children in this country who need higher education and count on the Federal investment in critical elementary and secondary programs.

One is the expatriate billionaire tax loophole. Closing this loophole generates $2.1 billion. Those are people who leave the country, fly out of America to avoid their taxes. That is $2.1 billion. So that is part of the choice: Helping out those people or children and students in this country who need an education.

The second is $26 billion. This currently shields foreign source income of U.S. firms from U.S. taxes, which should apply to that income. This change alone generates $26 billion. If you do not want to take all $26 billion, you can reduce that somewhat, since I offer a total of $65 billion in offsets. I understand it may be important to some firms, but we are making tough choices around here. So you have to ask yourself on this one: Should we modify that tax loophole to some degree to help pay for the education needs of America? That is my second tax loophole.

My third permits U.S. exporters to exempt a portion of their export income from U.S. taxation—the House Budget Committee's figures suggest that this would generate an additional $10.9 billion. Again, you do not have to take all of it here, since there is the other part of the total $65 billion. But can't we take some of that money and try and restore these funds for the educational needs of America?

And last, Mr. President, the one that provides $26.3 billion is one that interacts with the foreign tax credit provisions in a way that can effectively exempt a portion of a firm's export income from U.S. taxation. It is called the inventory property sales source rule exemption. The title is vague to me, but there is what Mr. KASICH said it does.

So $26.3 billion, $10.9 billion, $26.4 billion and $2.1 billion—that is $65.7 billion. I would like to get just $28 billion out of that $65 billion to try and shield students and families from the crushing blow of these education cuts—and preserve their access to higher education and continue our partnerships with schools and communities across this country in elementary and secondary education.

That is the choice: Whether you want to keep these tax loopholes or restore the $28 billion. We all make tough decisions.

Again, this is Mr. KASICH's list, this is not my list. These are the provisions he suggested that we ought to be looking at as a way to try to deal with deficit reduction. My amendment allows us to take these steps while simultaneously making the kinds of investments families across America need—$12 billion to protect the student loan program and $16 billion to support critical discretionary programs like Pell grants, title I, and Head Start. Families and students need that kind of help.

Mr. President, this is an investment we must make in our future. Last Congress was hailed as the education Congress. We passed legislation lowering student loan costs, Head Start legislation that was to move us to fully funding all eligible children, the Goals 2000 legislation offering vital federal support to local efforts to improve our schools.

With this budget, we back away from our commitment. At this rate we will need to rename that last act if we are being honest with the American people.

Why do we not call it Goals 3000 because, obviously, if we continue with the cuts proposed here we are never going to reach our goals, Goals 2000 becomes an absolute mirage. It does not exist. As this resolution is, we move the goal posts further down the road and make our education deficit that much larger.

So here is the choice: Billionaire tax loophole and some modification of the treatment of export income or critical investments in education.

Mr. President, I strongly urge that my colleagues support us in this substitute amendment. This gives this body the opportunity to demonstrate that the educational needs of America are just as important—just as important—as the export income or the billionaire tax loophole. The issue is, do you want to defend these interest, or do you want to defend families who are out there making investments in their children's educations. Investments which fundamentally contribute to the economic security of this Nation in the 21st century. To turn our backs on the educational needs of these children and their families I think would be a great tragedy.

The health of a nation depends upon many things. Fiscal responsibility is clearly one of them, but also an educated society, a well-prepared society. There are families that are out there telling their children to stay in school and study hard and do their homework, and go to college. We break a contract with them when those loans are not there or at such a high cost that they cannot avoid them. Fifty percent of all students in higher education today receive some form of assistance—one out of every two. Yet, here we are slashing $14 billion out of these programs while we shield expatriot billionaires from their taxes and protect export income. We urge you to support our substitute.

Mrs. HUTCHISON. Mr. President, I yield 2 minutes to the Senator from Maine.

Ms. SNOWE. Mr. President, here we go again. I hope that Members of the Senate will oppose this amendment. It is another generic amendment. You did not hear any specifics, other than the $6.3 billion and the $28 billion that would be necessary under this amendment through corporate welfare reductions and tax loopholes. While we all might agree with that goal, there is no specificity. It conveniently lacks specificity because they do not want to offend anybody. But that is not the responsible budgetary approach. That is why the Snowe-Abraham amendment is a credible approach in restoring $6.3 billion in education.

If you want to make sure that those funds are restored, then you must support the Snowe-Abraham amendment.

The amendment that is before us now, offered by the Senator from Connecticut, is illusory. It does not offer any instructions. It leaves potential instructions to the appropriate committees to determine how they reach the $28 billion. Unfortunately, that has been the process, not only here on the floor of the Senate but also in the Budget Committee. There were a number of Members who offered amendments to increase spending—the accumulation of spending of more than $500 billion and $77 billion in tax increases—but no corresponding amendments to reduce Federal spending, which is the goal of this budget resolution, and it is also a goal to reach a balanced budget.

Yes, we remember offsets. But at least we are in a position to say to the committee that this is the way in which you can arrive at these numbers. Do you want to make a decision about eliminating aircraft in the executive branch or raising funds for education? I think the choice is an easy one, and that is what this amendment is all about.

So I hope that Members of the Senate will oppose the Dodd amendment because it is not credible, because it does not offer responsible recommendations as to how to arrive at $28 billion worth of changes and at the same time do what we think is important by raising funds for education. The Snowe-Abraham amendment reaches that goal to provide the much-needed, very valuable school loan assistance programs to low- and middle-income families all across America.

So I urge the support of the Snowe-Abraham amendment in opposition to the Dodd amendment.

The PRESIDING OFFICER. Who yields time?

AMENDMENT NO. 1131

Mr. HOLLINGS. Mr. President, I see a compromise. I see a way for the bipartisanship to return on education. It is a painful compromise on both sides, but we must pursue the art of the possible.

Mr. President, I tried 2 days ago, with my colleague from Iowa, Senator HARKIN, to make substantial progress toward restoring the cuts to education in this budget resolution with an amendment to restore $40 billion. That amendment was narrowly defeated. Yesterday, my colleague from Nebraska, Senator EXON attempted to restore $30 billion to education, as part of a package. That amendment narrowly failed.

Today, the Republican Senators from Maine and Ohio, Senator SNOWE and Senator DEWINE have offered a $6.3 billion restoration to student loan cuts.

We are making progress. Republicans have admitted that there is a real problem in this budget in that it severely cuts education.

But Mr. President, $6.3 billion for student loans still leaves students paying billions more, essentially to provide tax cuts elsewhere. More importantly, we should not merely restore part of the college student aid cuts while accepting the 33 percent cuts in this budget resolution to the programs that serve children. This budget resolution cuts the 6 million children served under title I for the disadvantaged to 4 million. It cuts services for over 5 million disabled children served under the Individuals With Disabilities Education Act by $5 billion. If it is wrong, economically, to cut student aid to provide tax cuts, as my Republican colleagues seem to concede, then it is certainly wrong to pass these huge cuts to education for younger children.

The means of bipartisan compromise is the Dodd amendment. It is a compromise that both sides can strain to reach. It restores a total of $28 billion. It does not fully restore the cuts to children's programs. It still reduces the number of children served, while we know that the number of children will rise. And, it fully—not partially—relieves college students of their part of cuts in student loans.

Mr. President, this amendment can help us rebuild the bipartisan consensus that education is a priority. We should not cut disadvantaged and disabled children, and it is economically foolish to do so. I know colleagues on both sides of the aisle believe this, and I urge all Senators to support this amendment.

Mr. DOMENICI. Do I have 3 minutes remaining?

The PRESIDING OFFICER. That is correct.

Mr. DOMENICI. Mr. President, I was searching in my mind for what Yogi Berra might say about this, but I cannot quite come up with it. ''Déjà vu all over again,'' yes; that sounds right. See, we just got behind us, we thought, the idea that the way to balance the budget was to raise taxes. We thought we had finished that off and that maybe so long as we were attempting to balance the budget by restraining Government, since the first effort 2 years ago to balance the budget relied heavily on tax increases and did not work and the deficit is still going up, we thought we ought to restrain Government in a very serious way. And the first real serious opportunity on the other side to change this budget resolution significantly is to raise taxes $25 billion for a good cause.

Now, frankly, Mr. President, I believe the American people understand that the time has come to balance the budget by reining in Government, having less Government, redefining it, doing it better, doing it more efficiently. All of the arguments about what is happening to programs that we have in existence assumes that those programs are the only way to help Americans; that the only way to help education is the exact array of Federal programs that we have right now. And anybody that suggests you might do it for less, or do it a different way, of course, they are against education, or they are against highways, or they are against whatever it is.

So essentially, nobody should misunderstand this amendment, regardless of the rhetoric about loopholes and the like. The budget resolution does three things with reference to taxes, it either lowers or increases them or it leaves

them the same. Essentially, this will increase taxes. I do not believe we should adopt it. At the appropriate time, I will move to table it. I will not do it now because obviously it will be stacked. I hope we will defeat it. It clearly would be one of the amendments that this budget resolution should not carry with it as we go to conference with the House.

I yield back any remaining time.

The PRESIDING OFFICER. Under the previous order, the Senator from Oregon is now recognized.

AMENDMENT NO. 1132

(Purpose: To restore funds cut from the National Institutes of Health)

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for himself and Mr. JEFFORDS, proposes an amendment numbered 1132.

Mr. HATFIELD. 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 11, line 7, decrease the amount by $430,000,000.
On page 11, line 8, decrease the amount by $258,000,000.
On page 11, line 14, decrease the amount by $920,000,000.
On page 11, line 15, decrease the amount by $552,000,000.
On page 11, line 21, decrease the amount by $1,000,000,000.
On page 11, line 22, decrease the amount by $600,000,000.
On page 12, line 3, decrease the amount by $1,000,000,000.
On page 12, line 4, decrease the amount by $600,000,000.
On page 12, line 10, decrease the amount by $1,000,000,000.
On page 12, line 11, decrease the amount by $600,000,000.
On page 12, line 17, decrease the amount by $1,000,000,000.
On page 12, line 18, decrease the amount by $600,000,000.
On page 12, line 24, decrease the amount by $1,000,000,000.
On page 12, line 25, decrease the amount by $600,000,000.
On page 33, line 19, increase the amount by $1,000,000,000.
On page 33, line 20, increase the amount by $430,000,000.
On page 34, line 2, increase the amount by $1,000,000,000.
On page 34, line 3, increase the amount by $920,000,000.
On page 34, line 9, increase the amount by $1,000,000,000.
On page 34, line 10, increase the amount by $1,000,000,000.
On page 34, line 16, increase the amount by $1,000,000,000.
On page 34, line 17, increase the amount by $1,000,000,000.
On page 34, line 23, increase the amount by $1,000,000,000.
On page 34, line 24, increase the amount by $1,000,000,000.
On page 35, line 5, increase the amount by $1,000,000,000.
On page 35, line 6, increase the amount by $1,000,000,000.
On page 35, line 12, increase the amount by $1,000,000,000.
On page 35, line 13, increase the amount by $1,000,000,000.
On page 54, line 20, increase the amount by $570,000,000.
On page 54, line 21, increase the amount by $172,000,000.
On page 55, line 2, increase the amount by $80,000,000.
On page 55, line 3, increase the amount by $368,000,000.
On page 55, line 10, increase the amount by $400,000,000.
On page 55, line 17, increase the amount by $400,000,000.
On page 55, line 24, increase the amount by $400,000,000.
On page 56, line 6, increase the amount by $400,000,000.
On page 56, line 13, increase the amount by $400,000,000.
On page 65, line 14, decrease the amount by $430,000,000.
On page 65, line 15, decrease the amount by $258,000,000.
On page 65, line 17, increase the amount by $430,000,000.
On page 65, line 18, increase the amount by $258,000,000.
On page 65, line 21, decrease the amount by $920,000,000.
On page 65, line 22, decrease the amount by $552,000,000.
On page 65, line 24, increase the amount by $920,000,000.
On page 65, line 25, increase the amount by $552,000,000.
On page 66, line 3, decrease the amount by $1,000,000,000.
On page 66, line 4, decrease the amount by $600,000,000.
On page 66, line 6, increase the amount by $1,000,000,000.
On page 66, line 7, increase the amount by $600,000,000.
On page 66, line 10, decrease the amount by $1,000,000,000.
On page 66, line 11, decrease the amount by $600,000,000.
On page 66, line 13, increase the amount by $1,000,000,000.
On page 66, line 14, increase the amount by $600,000,000.
On page 66, line 17, decrease the amount by $1,000,000,000.
On page 66, line 18, decrease the amount by $600,000,000.
On page 66, line 20, increase the amount by $1,000,000,000.
On page 66, line 21, increase the amount by $600,000,000.
On page 66, line 24, decrease the amount by $1,000,000,000.
On page 66, line 25, decrease the amount by $600,000,000.
On page 67, line 2, increase the amount by $1,000,000,000.
On page 67, line 3, increase the amount by $600,000,000.
On page 67, line 6, decrease the amount by $1,000,000,000.
On page 67, line 7, decrease the amount by $600,000,000.
On page 67, line 9, increase the amount by $1,000,000,000.
On page 67, line 10, increase the amount by $600,000,000.

Mr. HATFIELD. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. If the chairman will yield, I have conferred with the other side, and I understand there are no second-degree amendments. Perhaps Senator HATFIELD would like to handle it differently if there are not going to be any second-degree amendments.

Mr. HATFIELD. I have no preference. Parliamentary inquiry. I am trying to get to the real part of the amendment, which is to restore the money to the NIH by offsets in all the other accounts, with the exception of defense. The one I have sent to the desk includes defense. That is my personal preference, but the votes are not there. So I am trying to protect the essence of the real amendment, which I want to debate, which is my second-degree amendment that excludes defense.

The PRESIDING OFFICER. I am told that a second-degree amendment is not in order until all time has been expired on the first degree.

Mr. DOMENICI. Could the Senator not withdraw the first amendment and offer the second amendment at this point?

The PRESIDING OFFICER. Yes.

Mr. HATFIELD. I yield to the request of the chairman, and I withdraw my first amendment on the assumption that I will be able to debate with my time allocation on the amendment that I want to bring to a vote.

The PRESIDING OFFICER. The Senator has that right.

The amendment (No. 1132) was withdrawn.

AMENDMENT NO. 1133

(Purpose: To restore funds cut from the National Institutes of Health)

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for himself and Mr. JEFFORDS, Mr. SPECTER, Mrs. KASSEBAUM, and Mr. D'AMATO proposes an amendment numbered 1133.

Mr. HATFIELD. 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 33, line 19, increase the amount by $1,000,000,000.
On page 33, line 20, increase the amount by $430,000,000.
On page 34, line 2, increase the amount by $1,000,000,000.
On page 34, line 3, increase the amount by $920,000,000.
On page 34, line 9, increase the amount by $1,000,000,000.
On page 34, line 10, increase the amount by $1,000,000,000.
On page 34, line 16, increase the amount by $1,000,000,000.
On page 34, line 17, increase the amount by $1,000,000,000.
On page 34, line 23, increase the amount by $1,000,000,000.
On page 34, line 24, increase the amount by $1,000,000,000.
On page 35, line 5, increase the amount by $1,000,000,000.
On page 35, line 6, increase the amount by $1,000,000,000.

On page 35, line 12, increase the amount by $1,000,000,000.
On page 35, line 13, increase the amount by $1,000,000,000.
On page 54, line 20, increase the amount by $1,000,000,000.
On page 54, line 21, increase the amount by $430,000,000.
On page 55, line 2, increase the amount by $1,000,000,000.
On page 55, line 3, increase the amount by $920,000,000.
On page 55, line 9, increase the amount by $1,000,000,000.
On page 55, line 10, increase the amount by $1,000,000,000.
On page 55, line 16, increase the amount by $1,000,000,000.
On page 55, line 17, increase the amount by $1,000,000,000.
On page 55, line 23, increase the amount by $1,000,000,000.
On page 55, line 24, increase the amount by $1,000,000,000.
On page 56, line 5, increase the amount by $1,000,000,000.
On page 56, line 6, increase the amount by $1,000,000,000.
On page 56, line 12, increase the amount by $1,000,000,000.
On page 56, line 13, increase the amount by $1,000,000,000.

Mr. DOMENICI. Will the Senator yield for a unanimous-consent request?

Mr. HATFIELD. Yes.

Mr. DOMENICI. Mr. President, I ask unanimous consent that no second-degree amendments be in order to the HATFIELD amendment that is pending.

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

Mr. HATFIELD. Mr. President, I ask unanimous consent to add Senator D'AMATO as a cosponsor on this amendment.

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

Mr. HATFIELD. Mr. President, I now understand I have a 2-hour, equally divided time allocation to consider this amendment.

Mr. President, I would like to yield 1 minute to the Senator from New York to make a statement on this amendment.

Mr. D'AMATO. Mr. President, I rise to support and am pleased to join as a cosponsor of Senator HATFIELD's amendment.

We are talking about making cuts in order to balance our budget and provide a better future for coming generations. Yet I believe we have to be very careful about how we make those cuts and where.

In the amendment that has been put forth, Senator HATFIELD would restore $7 billion of the $7.7 billion that would otherwise come out of the National Institutes of Health.

I have to say, representing as I do New York, and Long Island in particular, we are being ravaged by an epidemic of cancer, breast cancer in particular. Breast cancer rates in the Long Island counties of Nassau and Suffolk rank first and fourth highest respectively among the 116 largest U.S. counties.

We cannot afford to reduce the funding for this vital research that provides at least a glimmer of hope for achieving the necessary breakthroughs to deal with the ravages of cancer, and breast cancer in particular.

The amendment of Senator HATFIELD will go a long way toward holding citizens harmless in this area. There would be a slight reduction of about 1 percent. Far better that 1 percent reduction than one that might reach as much as 15 to 16 percent. That, I believe, would not be the kind of investment in the future that we are attempting to bring about as we work to make a better future for all Americans, those whom we are protecting now and future generations.

I believe that is why this amendment is important and why it makes sense. I strongly urge its support. I thank the Senator for raising this very important issue.

Mr. HATFIELD. I thank the Senator from New York.

Mr. President, I offer this amendment on behalf of Senator SPECTER of Pennsylvania and Senator KASSEBAUM of Kansas. There will be other cosponsors that we will add as we go along.

Mr. President, fundamentally, what we are facing here is a prelude to disaster as it relates to medical research and medical science in this country.

We are really, in this session of the Congress, being offered three possibilities, three options. Each one of the three options has the same ending result.

We have the President's budget. The President's budget, if we vote this line—my visual aid supporting chart for 1996—the President raises the NIH appropriation budget proposal by 4.1 percent. Like so many things in politics, it is a shell game. You see it and then you do not see it. You think you have it, and then you do not have it.

After the first year of 1996 of raising this up by 4.1 percent, then the President's budget says—look at that drop. By the year 2000, we will take $1 billion away from medical research in this country. This amendment is bipartisan. The President is offering to demolish our medical research infrastructure on a slow-water-drip system.

Then we have the House resolution. The House resolution says, ''Well, by 1996, next year, we want to drop it 5 percent,'' and then we steady income out here whereby we again find the end result of a dramatic reduction in the budget for the NIH.

Not to be outdone by the White House, not to be outdone by the House of Representatives, the Senate budget resolution that is pending before the Senate today said, ''Oh, we will make a quicker death. We are going to say take $1 billion out between 1995 and 1996.'' In fact, in excess of $1 billion. By the time we get to 2000 we will have taken $7.7 billion out of the medical research of this country that leads to cures and leads to better treatment of disease.

That is it, simply straightforward. I cannot believe that the body of the U.S. Senate can ignore the fact that the only thing the American people have said is raise our taxes if necessary, and we will tell Members by a 30 percent margin that dollars expended for medical research should be the top priority of our country. This is not one politician speaking to another politician. This is the voice of the people saying, ''We want to increase medical research.'' We have had polls show they would pay another $1 per week on their medical premiums in order for it to be earmarked for medical research. We have had polls show they would take another $1 per week in their income tax if it could be earmarked for medical research.

Somehow the political establishment of the executive branch, led by the President, and the congressional branches, led by the two House and Senate budget resolution committees, do not hear that.

Now, I am not going to get into a lot of detail except to say we are making tremendous progress in warring against many diseases. It was only half a dozen years ago we had a handful of dollars dedicated to Alzheimer's research.

I have a personal interest in Alzheimer's. I watched my father die from Alzheimer's. I can say it is as difficult for the family as it is difficult for the victim. It is difficult for all those around him or her. I will not go into the gory details because most people around here have seen that kind of deadly disease attack and destroy people.

Mr. President, we could not even diagnose Alzheimer's short of an autopsy a few years ago. Now we have built it over the years to about $210 million of research money dedicated to Alzheimer's. We have made breakthrough after breakthrough, both in gene analysis and identification, as well as treatment and diagnosis.

When we say to the medical structure of this country, take $1 billion out of the $11.3 billion—10 percent—in 1 year, it is like in this country when we shut down the sawmill for a lack of logs and lose our chief sawyer, that company does not reassemble that team that makes that mill work a month later when a supply is received, or 2 months later.

When the company begins to build the infrastructure of medical research, and once it is there, the company does not rebuild it because maybe 2 years down the road they decided they made a mistake.

We have had the decade of the brain. Mr. President, 5 years have passed and a major part of that 5 years is building 130 scientists into an infrastructure in this country. Now it at a point where the payoff comes, we are about ready to start dismantling.

Now, let me get a point of contrast. We have literally thousands of diseases in this country on which no research—no research—is being conducted, thousands of diseases in which there is no

national registry to even know how many people have the disease or where they are located. No registry. They are called orphan diseases. Thousands of them.

The most important factor that is missing is no hope. No hope. We have been trying to attack that gradually by serendipity, meeting a young man in a wheelchair 15 years of age with EB, epidermolysis bullosa. At that point, no registry. At that point, no research money. It is like leprosy. They lose their fingers. It is a pigmentation problem. Sores break out all over their bodies. They cannot handle even this kind of artificial light, let alone sunlight. And they die at a very early age. This young man was so impressive with his eloquence, we wheeled him right into the Committee on Appropriations and we made a line item. If I ever had a reason to fight a line item veto, the whole concept of vetoing a line item—this was to get a line item in the appropriations that year to start a registry, starting a research project for EB, and giving hope for those people. That is not the way to run it, just because I met someone like that. There are thousands of them out there all over this country.

I want to also say there is a point of reference and comparison. This same budget resolution calls for a $800 million increase in research in nuclear weaponry. Yes, $800 million increase and they are calling for a $1 billion cut in medical research. Oh, we have to protect our bombs but we cannot really protect our people. I am saying this is a value of people over bombs. I would like to have included the military research dollars. The 18 months of military research in this country leading us to be more efficient—we say at defending our country, but at the same time, cluster bombs in order to increase the capacity to destroy life—is the equivalent of 95 years of medical research in the NIH; 18 months. That is a real value.

But I do not have the votes. So we still have this power of the military that says, ''Do not include us in any reductions. We only can handle increases. Reduce the medical research programs.''

All this does is to face reality that we exclude the military, that sacrosanct military. We are going to exclude it. But at the same time we are going to reshuffle all of the other accounts and say, by putting the priority on medical research, the others are going to be reduced 5 percent.

I enjoyed a little personal therapy by those last few statements. Now we get back to the reality of saying we have to reach this kind of agreement. I am happy to say I think, even though I would like to have a broader base, I am willing to settle for the narrower base in order to save the medical structure, research structure of this country.

I hope some of my colleagues realize we have had a colleague recently diagnosed with Parkinson's, Senator CLAIBORNE PELL. Do you realize we are spending this year $26 million for Parkinson's research—$26 million. You say that is a lot of money—yes, it is a lot of money. We are spending over $1 billion for heart; $2 billion for AIDS; another $1 billion-plus for cancer, as we should, and I helped to fight for every one of those dollars, and I would defend every one of those dollars. All I am saying is, for Parkinson's, $26 million.

Take a 16- to 20-percent decrease on $26 million for Parkinson's and you have a bigger impact than taking a 16- to 20-percent reduction, say, on cancer or heart, which is in excess—almost $2 billion each. So it is disproportionate in its impact. And I think this would then give us an opportunity to keep our commitment to the sick and those who have no hope for cure.

If my friends are not interested in the humanitarian aspect of reducing suffering and putting the value on human life—and quality life, not just quantitative life—I hope we would support this because I am convinced it is the answer. If you are not impressed with that factor, then look at the cost. We have saved billions of dollars per year in what we have been able to accomplish in medical research with TB. Now we are having a revival of TB. We have Zaire and the Ebola problem over there, that is a threat to this country. Every time we used to want to get an increase in military spending we could say, ''The Russians are coming,'' and, boy, everybody would jack up another $1 million. I want to tell you, ''The viruses are coming.'' They are here. And we better get ready for that warfare because we need this kind of weaponry to fight it.

Mr. EXON. Will the Senator yield for a question?

Mr. HATFIELD. Yes. I will be very happy to. But first of all may I yield to my cosponsor, who has not had an opportunity to make an opening statement and then I will be happy to yield for questions.

Mr. EXON. Certainly.

Mr. HATFIELD. I yield at this time to Senator SPECTER, whatever time he needs.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I thank my distinguished colleague, the chairman of the Appropriations Committee, for yielding time to me. I compliment him for his leadership generally, and especially on this amendment for his very spirited and eloquent articulation of the reasons for this amendment.

I am pleased to join Senator HATFIELD as a cosponsor, along with Senator KASSEBAUM, Senator MACK, and there may be others who will join in cosponsoring this very, very important amendment.

Senator HATFIELD has added the name of Senator KENNEDY to the list as original cosponsor here, along with Senator JEFFORDS.

The consideration of this budget resolution is very important to America. It is the toughest series of votes which I have seen in my 14½ years in the U.S. Senate. It has been very carefully crafted by the Budget Committee, under the leadership of Senator DOMENICI, who has great respect in this body on all counts. We have seen a series of amendments defeated so far on the budget resolution, many of which I would have liked to have voted for. But we have to make some really extremely tough choices which I think we are making. I believe this is a historic time for the U.S. Government to balance the budget.

Substantial efforts were made following the election of President Reagan in 1981, when we considered a budget resolution some 14 years ago, but there was not the political will at that time to balance the budget. We did not have Republican control of the House of Representatives, with, candidly, the political determination to balance the budget.

That time is now. In order to balance the budget we have had to turn down some requests on amendments which I think were very, very attractive. It was very, very difficult to vote against the amendment which offered additional funding for education because I am very much concerned about the cuts in this budget resolution on education. I am very much concerned about the cuts in this budget on Medicare and Medicaid. And I have heard from constituents about the devastating impact of what the Medicare cuts will do in closing hospitals, and not marginal hospitals but hospitals which are very important across this country, providing very vital services for the people of America.

But it seems to me if we are going to move to a balanced budget we are going to have to have belt tightening all across the board. I personally would very much have liked to have voted for the amendment yesterday on a tax cut. Who would not like to have a tax cut in America? But the difficulty with the amendment was present in the additional cuts which would have been present for other very important items, and also in the direction of the tax cuts not being directed with sufficient depth and specificity at the lower income groups and raising the concern about too much of a tax cut for wealthier Americans at a time when we are going to be cutting very many important programs which impact across the board, and many on the poor.

The amount offered yesterday on increasing national defense was a very attractive amendment. But there again the difficulty is that it would have resulted in cuts in other programs and added to the deficit.

I think that in the amendment which we are now considering, to have a restoration of part of the budget cut on the National Institutes of Health, that we are going to have the strong bipartisan support which was not present to increase funding or restore funding for education, or the bipartisan support

which was necessary to restore funding for Medicare and Medicaid. I believe that we have this bipartisan support because of the unique importance of what the National Institutes of Health does for America.

In the 14½ years that I have been on the Appropriations Subcommittee on Labor, Health and Human Services, and Education, which I now chair, we have maintained an increasing amount of funding year by year, notwithstanding proposed budget cuts virtually every year from the administration, and it has been a bipartisan effort, once under the chairmanship of Senator Weicker, then under the chairmanship of Senator Lawton Chiles, then under the chairmanship of Senator TOM HARKIN, and now with my chairmanship.

We had a hearing last Thursday attended by the distinguished chairman of the full committee, where we heard of the devastating impact of what these budget cuts would do to medical research in the United States.

There is not time enough to go through the entire array of very powerful arguments and very powerful considerations. But let me start with a few.

At the present time, the National Institutes of Health funds less than 1 in 4 grant applications. If funding were cut by 10 percent, that grant rate might decrease to as much as 1 in 10. There would be a drastic reduction in clinical trials to initiate promising new treatments leaving the application of research findings for the patients on an untested basis.

There would be a cataclysmic consequence with over 80 percent of the NIH budget being cut with support from colleges, universities, medical schools, and research institutes throughout the country.

We are on the brink of having extraordinary advances in medical research on gene therapy on a whole range of very, very devastating illnesses in America.

Let me name just a few. Last year the National Institutes of Health discovered a breast cancer susceptibility gene, and the NIH is now closing in on the gene which causes breast cancer, which would be really a remarkable achievement on a terrifying disease which strikes 1 of 9 women in America.

The problems on heart disease, cardiovascular disease, which is still the number one killer of both men and women, causing 43 percent of all deaths each year; delaying the onset of heart disease by 5 years, which is right around the corner, would save almost $70 billion annually.

When we take a look at the kind of economic savings which come from this research from NIH, it is really remarkable.

Alzheimer's disease, such an overwhelming emotional problem in America today for those who suffer from Alzheimer's and their families; the medical research is on the brink of decreasing the incidence by half, which would mean an annual cost saving of some $50 billion.

Alcoholism, the No. 1 drug problem in the United States, is on the verge of significant advances, if not a cure, with the savings of some $100 billion a year.

Osteoporosis leads to 1.5 million fractures each year, affecting 140,000 people, and with the potential for saving of some $5 billion.

I know the time is short, Mr. President.

So I shall not go on with the list of really remarkable achievements which have been made and are right around the corner.

But I will say, chairing the Subcommittee on Labor, Health and Human Services, and Education, and having been on the Appropriations Committee for 14½ years, that there is no more important funding item in the budget to restore, and we are not restoring it all, but to restore the amount proposed in the pending amendment.

I thank the Chair. I thank my colleague.

Mr. EXON. Will the chairman yield for a question?

The question I have for my great friend and colleague I want to preface by saying the chairman knows of my fondness for him and the many years that we have worked. I have never seen a finer presentation, I say to my friend from Oregon. I do not disagree with a single thing he has said. I think he said it all very, very well.

I cannot think of a more important amendment that will pass. I think this amendment will pass. I know of no objection to it on this side. I just checked with Senator DOMENICI. He knows of no objection on his side of the aisle. I think the case has been adequately made.

I have a list of 23 Democratic Senators, and heaven knows how many on that side of the aisle, that have other important matters, and we run out of time at noon today on the amendment. I am just wondering, since I think there seems to be near unanimous support for the amendment, if there is any way that we can cut down some of the time to allow some of these other Senators a chance to offer their amendments. Because of the time constraints, because I would not want to see any of our colleagues have a heart attack or apoplexy for fear that they are not able to talk on their amendment, I am just wondering, my question is can we get some time agreement if we would agree to yield back our whole hour of the time? I know of no opposition on this side. Could we get an agreement to cut down the remaining 50 minutes or so that the chairman has? I think he has made his case very well.

Mr. HATFIELD. Mr. President, I would be very happy to work out an arrangement. I have a list here of about a dozen Senators who have asked for a few minutes to express themselves on this amendment. Once I fulfill that obligation to my colleagues, I will be very happy to consider that.

Mr. EXON. I will simply add there have been Senators coming to me wanting 10 to 20 minutes. I have cut them most down to 1 or 2 minutes.

If I might courteously suggest that if we had some time constraints, I believe everything good can be said about this amendment in a minute if people choose their words very carefully.

Mr. HATFIELD. I thank the Senator.

Mr. President, I have a list. My other chief cosponsors are Senator KASSEBAUM, Senator BOXER, Senator KENNEDY, Senator MACK, and others. As soon as we complete those, I would be very happy to consider yielding back the time.

I would like at this time to yield to the Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I would ask for a couple of minutes. I certainly appreciate the time constraints.

I think every Senator in the Chamber is a supporter of the National Institutes of Health and recognizes the importance of the work done there.

I myself am a strong supporter of the importance of continuing basic research.

I think Senator HATFIELD, who has initiated this amendment, has spoken eloquently of the importance of those needs. Senator SPECTER has spoken as well.

Mr. President, I am pleased to join with Senators HATFIELD and SPECTER and eight other cosponsors in offering an amendment to the fiscal year 1996 budget resolution which is designed to protect funding for the National Institutes of Health. Our amendment, which adds $1 billion annually to budget function 550, is intended to restore the 10-percent reduction in NIH funding assumed by the Budget Committee. In order to assure the health of our citizens—through continued support of our nation's biomedical research—I urge my colleagues to join with us in supporting this amendment.

To offset the additional NIH funding, our amendment would reduce spending in various discretionary accounts by 0.58 percent. The budget functions which would be excluded from these reductions are: defense; international affairs; education, training, and employment; income security; Medicare; Social Security; and net interest.

NIH-supported biomedical research has a proud history of scientific breakthroughs. Many of my colleagues will remember the iron lungs which once ventilated individuals after their bodies had been ravaged by the polio virus. Because of biomedical research, we no longer face the threat of this disease. In fact, experts at the Centers for Disease Control and Prevention now predict that the polio virus could soon be eradicated from this planet.

The vitality of these efforts is maintained today. For example, through the human genome project, scientists have

identified a gene linked to breast cancer. Using this information, health care providers may one day decrease the burden of this disease, which now attacks one in nine women.

I am concerned about the detrimental impact of the NIH reductions assumed by the Budget Committee. I believe, that biomedical research advancement—and breakthroughs—could slow dramatically.

The committee, in its report on this resolution, lays out a thoughtful argument in support of this budget reduction. As noted in the report, it is true that the NIH has seen a real budget growth over the last decade. In real terms, after adjusting for biomedical research inflation, the budget for 1993 was 47 percent greater than it was a decade earlier. It is also true that private sector contributions to biomedical research have increased.

At the same time, I do not believe it is wise to propose reductions based on this recent growth in NIH funding. These reductions will leave many biomedical researchers and their advancements stranded. In many areas, scientists are on the verge of amazing discoveries. Because the average length of an NIH award is nearly 4 years, cuts of this magnitude will require an adjustment period. We need to consider ways to ensure that promising research receives new funding, while we honor existing research commitments.

Mr. President, the $1 billion which this amendment would add back to the NIH allows for a smooth transition. Even with this add-back, real funding for NIH will decrease over the next 7 years. In fact, if we assume a 5 percent annual biomedical research inflation, maintaining NIH funding at its 1995 level would still result in a real funding reduction of nearly 5 percent in the first year and 35 percent 7 years from now.

As chairman of the Committee on Labor and Human Resources, I am committed to working with the National Institutes of Health and our Nation's biomedical researchers to find ways to adjust to our current budget limitations. However, accomplishing this goal will require thoughtful consideration and careful deliberation.

As the Labor Committee begins to consider the reauthorization of the National Institutes of Health, I welcome the suggestions of my colleagues. I intend to examine organizational and structural changes at the NIH which could lead to some budget savings.

This effort may include reexamining the need for the current 23 institutes, centers, and divisions. Another approach will be to review the amount of research funding which the NIH currently devotes to indirect research costs. Finally, I also believe that we will need to reexamine how the NIH makes its grants to ensure that the most promising areas for research advancement receive funding, while funding for basic biomedical research is maintained.

Mr. President, I urge my colleagues to consider this amendment carefully. Its effect would be to improve the health of our Nation's citizens by supporting funding for biomedical research through the NIH. The effort of NIH has and will continue to create a national environment in which biomedical research and health flourish.

Mr. HATFIELD. Mr. President, I would like to yield 3 minutes to the Senator from California.

Mr. President, in yielding to the Senator from California, she was facing the same issue, I understand, in her committee work, and I wish to thank the Senator for laying the foundation at that time.

Mrs. BOXER. I thank my friend very much. I will be brief because I think so much has already been said on this.

I simply want to add my voice in support of the Senator from Oregon. I did, in fact, offer a similar amendment in the Budget Committee. However, I took the funds out of the little tax cut—honey pot—that was squirreled away by our chairman and there was no support from the Republican side for using that as an offset.

I truly understand the frustration expressed by the Senator from Oregon. He wanted to cut across the board and include in the cut to pay for this NIH increase the military budget. I think the Senator is wise not to offer that up because there are not the votes here to do that, but I wish to spend just a minute talking about that and adding my voice to that of the Senator from Oregon.

I think the people of this country understand that the cold war is over, and I think the people of this country understand we are the only superpower, and I think the people of this country understand that we are spending 2½ times more than all of the potential enemies combined in the world, and that includes on the list the potential enemies Russia and China. The fact is if you add the spending of the NATO countries, America and the NATO countries are spending 5½ times more than all the potential enemies in the world.

What are the real enemies that we face on a daily basis in America? I would say the daily enemies we face are the prospect of disease striking a loved one. Alzheimer's has been discussed, osteoporosis, breast cancer, AIDS, prostate cancer, lung cancer, diabetes, scleroderma, something many people do not know about, which is a soft tissue disease which is disfiguring and frightening and strikes young women; strokes, Parkinson's disease. There are so many others.

The fact is, I say to my colleagues, these are the enemies that we face, and to retreat from this war would be ludicrous.

Now, it hurts my heart to vote to cut other domestic programs. It breaks my heart. I think it is outrageous that we do not have the votes here to include defense in a small cut, but like the Senator from Oregon I am a realist. I am a realist, and I wish to see this funding be restored to the NIH. We are one plane ride away from a major epidemic. We read with horror about this Ebola virus. Anyone who has read the book ''The Hot Zone'' understands the tenuous position we are in in this very world in which we now live. As we lose the rain forests of the world, what scientists are discovering is that viruses that live in the rain forests are looking for other hosts, and they are finding us. So to cut back on the National Institutes of Health, which is our first line of defense against these diseases, would be worse than outrageous.

I ask unanimous consent to include in the RECORD at this point a letter from the University of California, Irvine, and I would close with a quote from the dean of the college of medicine there, Thomas C. Cesario. He says:

> With Federal support, the University has achieved remarkable breakthroughs in medical research which prevent, control, or reverse disease, saving lives and millions of dollars in medical care.

And he just says that the UC doctors there with Federal funds were first to identify the lack of a gene as a cause of disease. They developed a blood test for the genetic defect that causes Tay-Sachs, and it goes on and on.

I see my time has run out. So again let me add my voice to the Senator from Oregon. I thank the Senator so much for picking up this fight in this Chamber. I am with the Senator all the way.

I yield the floor.

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

UNIVERSITY OF CALIFORNIA, IRVINE,
COLLEGE OF MEDICINE,
Irvine, CA, May 22, 1995.

Hon. BARBARA BOXER,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR BOXER: I am writing to express my deepest concern over the funding cuts to the National Institutes of Health that have been assumed in the Committee's Budget Resolution and to thank you for your tremendous effort to restore funding during the Committee's consideration of the NIH bill.

According to the committee report, the Senate Budget Committee recommends a 10 percent cut for the NIH budget in FY 1996, and then a freeze of the NIH budget at this lower level through 2002. This means that the NIH budget would be cut from $11.3 billion in FY 1995 to $10.2 billion in FY 1996, and then frozen at $10.2 billion through 2002. Cuts of this magnitude would be devastating to our nation's biomedical research enterprise. The NIH is one of the country's most respected and revered research institutions, setting international standards for excellence for basic and clinical biomedical and behavorial research and ensuring that medical care in the United States is the best in the world. Many people literally owe their lives to NIH-funded research.

These cuts represent a serious retreat from the national support given to medical innovation. They would be devastating to the NIH mission. NIH projects that with a 10 percent reduction in its budget the success rate for competing research project grants would fall from its current overall level of 24 percent in FY 1995 to between 6 percent and 12

percent in FY 1996. The potential loss in new life saving discoveries is incalculable. We know that few, if any, new clinical trials could be instigated and other NIH mechanisms of support would be decimated.

Cuts to NIH would certainly wreak havoc throughout the University of California's research institutions. About 85 percent of the NIH's appropriation is expended on extramural research conducted in all 50 states. The University of California operates the largest health science program in the nation—with five schools of medicine. Last year UC received about $650 million for extramural grants university-wide. Three of our five medical schools were ranked among the top 15 institutions for receipt of extramural research awards for FY 1993 and all fell within the top 100 institutions.

With federal support, the University has achieved remarkable breakthroughs in medical research which prevent control of reverse disease, saving lives and millions of dollars in medical care; UC doctors:

were first to identify the lack of a gene as a cause of disease;

developed a blood test for the genetic defect that causes Tay-Sachs disease;

created the first human vaccine by genetic engineering;

were among the first three groups in the world to isolate the AIDS virus;

found a quick method to determine if infants were infected with the AIDS virus;

developed an artificial ankle to replace joints damaged by arthritis;

adapted a heart pump implant to pump insulin in diabetics thus eliminating the need for daily insulin injections;

developed a procedure that restores hearing by replacing damaged middle ear bones with sculpted cartilage.

In addition, the University has been an incubator for the rapidly growing biotechnology industry in California. California has the largest concentration of the nation's biotechnology companies and 28 percent of high tech medical device firms in the nation. The University of California at San Francisco and San Diego alone account for more than 50 new companies pursuing life saving medical drugs and devices from AIDS, cancer and heart disease to genetic disorders like cystic fibrosis and multiple sclerosis.

Cuts to NIH cut the lifeline of biomedical research. The devastation would be felt for years to come. The pace of scientific discovery would slow and cures for diseases like AIDS and cancer would be delayed. Even worse, biomedical research would be essentially eliminated as a career track for a whole generation of young people.

I urge you to do all you can to restore funding to the NIH during the Senate's consideration of the Budget Resolution.

Sincerely,

THOMAS C. CESARIO, M.D.,
Dean, College of Medicine.

Mr. HATFIELD. I thank the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, again I am going back to the list of those who have made their request to be heard. I would yield 2 minutes to Senator KENNEDY, 3 minutes.

Mr. KENNEDY. Two minutes will be fine.

Mr. HATFIELD. Two minutes to Senator KENNEDY from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, the Senator from Oregon and the other cosponsors are speaking for the best American values and are really speaking for mankind all over the world in the restoration of this funding for the National Institutes of Health. This budget is permeated with penny-wise and pound-foolish mentality that values short-term savings today over investments that will improve the life of the Nation tomorrow.

There is no better example of these misplaced priorities than the meat-ax cuts in the National Institutes of Health. It is truly a great success in terms of research, and it maintains respect throughout the world. The NIH is not just a source of excellence to those of us on the floor of the Senate. It is recognized throughout the world.

The NIH is the symbol of excellence in medical research. Its achievements are world renowned. Dollar for dollar, it is among the wisest and most productive investments the Nation has ever made. It is the source of America's international preeminence in industries such as pharmaceuticals, biotechnology, and medical devices. Talk to any leaders of these industries, and they will tell you that without the basic research of the NIH, progress in their industry would slow to a crawl, and America's international competitiveness would fail.

Above all, we need NIH research because of its indispensable role in improving the health of the American people. In recent years, biomedical research supported by the NIH has led to new and more cost-effective treatments for cancer, heart disease, diabetes, and a wide range of infectious diseases. More than a million premature deaths from heart disease alone were prevented by improved cardiovascular programs and innovative treatments developed by NIH research in the past quarter century.

With mushrooming new discoveries in biotechnology, we stand on the threshold of even greater progress in the years ahead in the conquest of dread diseases. There is no American family that has not lost a loved one or a close friend to the ravages of heart disease, cancer, diabetes, or Alzheimer's disease. Why would anyone curtail the extraordinary progress that is possible?

If the cuts in this budget resolution are approved, only 10 percent of meritorious research will be funded, according to the NIH's own estimates. Currently, ninety scientists have received Nobel prizes for research funded in whole or in part by the NIH. With these cuts, young researchers will leave the field because they cannot find support for their investigations. Careers in biomedical research will be less attractive to the brightest minds of this generation of college students. Worst of all, it is no exaggeration to say that because of these cuts, Americans will die who would have been saved.

These funds make such a difference to the families that all of us represent. I urge the Senate to adopt this amendment and maintain NIH's vital investments in medical research.

I thank the Chair.

Mr. HATFIELD. Mr. President, I yield 2 minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. I thank the Chair. I thank the Senator from Oregon.

Mr. President, I support the amendment of the Senator from Oregon. I also want to point out that the problem he identifies with medical research funding is part of a larger problem that we are trying to address in another amendment that will come up for a vote later today. That is the amendment related to civilian research more generally.

The Senator from Oregon made the point that the proposed budget as it now stands in the area of medical research is a prelude to disaster. I would say that the same point could be made about civilian research generally in this country.

I would address people's attention to this chart which shows Federal civilian R&D as a percentage of the gross domestic product of this country from the period 1961 through the end of the century, the last portion, of course, being the projected level of funding for civilian research and development.

This chart includes the figures for the National Institutes of Health, about which the Senator from Oregon is speaking. It shows that we will be dropping to an unprecedented low in our level of support for civilian research if we go ahead with the budget as it presently stands.

The amendment the Senator from Oregon proposes will cure the problem as it relates to the National Institutes of Health. The larger amendment that I have proposed with Senators LIEBERMAN and ROCKEFELLER and HOLLINGS and BIDEN deals with the larger issue of civilian research, and it is necessary also if we are going to avoid the same kind of precipitous drop in Federal support for civilian research that is contemplated in the present budget.

I thank the Senator and I support his amendment strongly.

Mr. HATFIELD. I thank the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. I yield 1 minute to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. I thank the Chair.

Mr. President, I asked the Senator from Oregon only for a minute because I am one of those Senators who later on wants to speak to other amendments, and I know we are in a time crunch.

I say to the Senator from Oregon I certainly want to be included as an original cosponsor, but I do it with some sadness because I believe that the military-defense part of the budget

ought to have been included in the offset. I understand why the Senator was not able to do so.

Second of all, I am very worried about cuts in some of the other nondefense discretionary programs. Therefore, later on I am going to have a sense-of-the-Senate amendment making clear it does not have to be in each of those areas because each deserve a high priority, and I am going to try to point out the direction in which we should be directing our priorities. But it is with a sense of equity and fairness I proudly support this amendment.

Mr. HATFIELD. I yield 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. MACK. Thank you, Mr. President.

First, let me express my deep appreciation to Senator HATFIELD for his leadership on this issue in bringing this amendment to the floor of the Senate.

In trying to figure out what I would confine my comments to in 5 minutes, because there is so much that I feel and so much that I have learned with respect to what the National Institutes of Health is involved in, again, it is very difficult to kind of bring it down to a couple of points.

A book that I read several years ago called ''The Transformed Cell,'' written by Dr. Steven Rosenberg out at the NIH National Cancer Institute, really talks about the fundamental changes that have taken place in the way we treat diseases in this country and, for that matter, around the world. I am referring specifically to the treatment of cancer now.

For many years, if one was diagnosed with cancer, basically, surgery, radiation, or chemotherapy were the three choices, if you will. The physicians would look at the particular disease and status to make a determination about which of those three alternatives to pursue.

Dr. Steven Rosenberg began his practice over 20 years ago when something occurred that kind of indicated to him that maybe there was something else going on that could, in fact, be used to fight the disease. An individual that he was treating was cured of, I believe, melanoma. And 20 years ago, if a person was discovered with melanoma, it was just a matter of time. There was no cure.

But, somehow or other, this patient survived. Dr. Steven Rosenberg came to the conclusion and a very strong feeling that the answer was in the immune system; that what saved that individual was his own immune system. And then that raised the question: Well, if the immune system can defeat the disease in one individual but yet it does not in another, why does that occur? And that began a long process of over 20 years of trying to come to the discovery and understanding of what we can do to enhance the immune system in order to fight the disease.

Now, if Dr. Steven Rosenberg were here today, I do not think he would say to us that he has the total answer. But if you read his book, you will find, for example, that in 40 percent of the cases there was a response to immunotherapy in melanoma.

The reason I get a little bit focused on melanoma is because, as many of you know, I am a survivor of melanoma. In 1989, after coming to the U.S Senate, I was diagnosed with melanoma. Fortunately, we found it early and I should not have to be concerned with it at all. But in 1979, my younger brother Michael died of melanoma. And I can tell you personally what that experience is like.

And I could be talking about AIDS, I could be talking about, as the Senator from California talked about, the viruses, I could be talking about any one of those. But the reality is that we are making great strides today because of the work that is being done at NIH by people like Dr. Steven Rosenberg.

So he added a fourth modality to the treatment of cancer. And there is a fifth today, and it is called gene therapy. And we are just beginning to scratch the surface on gene therapy.

One of the earlier speakers referred to the discovery of the breast cancer gene, and there probably are several breast cancer genes. But there has also been discovered a melanoma gene. It is called P–16. And we know, through the research that has been done out at NIH, that it is relatively simple to define cancer but very complicated to come up with a solution. Cancer is nothing more than the uncontrolled growth of cells. But the issue is: Why are they uncontrolled and how can we control them? And gene therapy and DNA are going to play a significant role in making that determination.

My last point would be this: We have discovered what is called P–53, which I believe is a protein—it may be a gene as well—a protein that is involved in sending the message to the individual cells as to when they should grow and when they should stop growing. There have been great strides made with respect to the P–53 gene.

It would be a tragedy for us to step back now when we are on the verge of breakthroughs on all kinds of diseases through gene therapy.

So what I am saying to the Senate is there are great benefits that come from this investment.

I will close with this quote. Pasteur wrote: ''I am on the verge of mysteries and the veil is getting thinner and thinner.''

We want to provide the funds to make sure that that veil disappears.

Ms. MIKULSKI. Will the Senator yield?

The PRESIDING OFFICER. The Senator's time has expired.

Several Senators addressed the Chair.

The PRESIDING OFFICER. I recognize the floor manager, the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want to propose a unanimous-consent request that will protect the Senator from Oregon but will advise Senators of when we will vote.

ON NIH

Ms. MIKULSKI. Mr. President, I rise to express my passionate support for the National Institutes of Health.

The National Institutes of Health is the foundation of this Nation and the world's medical research. It is an investment in the future health and well-being of every American.

Over 85 percent of the NIH funding goes to academic medical centers of excellence all over the United States of America. From Stanford University, Johns Hopkins University, and Harvard to the University of Maryland and the University of Wisconsin—these are the leaders in medical science research.

What does our investment dollars get? Our investment in the NIH provides the means to find the cures and preventions for disease. It keeps the United States of America in the forefront of biomedical science and biomedical technology. It encourages our global competitiveness and assures economic growth through the creation of jobs in Maryland and throughout the United States. It helps communities help themselves.

The NIH has icon status in America and around the world. The shortsightedness of narrow-minded people in green eyeshades who would cut the NIH funding is deeply disturbing. I simply cannot understand it.

The American people deserve a future of improved health. They understand the importance of investing in research and prevention. They want their Federal dollars to go to programs that will help them meet their day-to-day needs. That is what the NIH does. Its research finds cures, prevents the onset of disease, and helps people live not only longer but better lives.

For some time, I have worked on a bipartisan basis to advocate for a women's health agenda. I was one of those who led the fight to establish an Office of Women's Health Research at the NIH—the first of its kind. I worked with my colleagues to expand research and address gender-specific health concerns like breast cancer, cervical cancer and prostate cancer.

The National Institutes of Health is the anchor for health research investment in this country.

And now, this picky little budget wants to freeze NIH funding into the year 2000, or worse yet, may even cut NIH funding by 10 percent. Let us face the fact. You cannot freeze disease. You cannot freeze neurological deterioration and Parkinson's disease. And you cannot freeze life saving research. You just cannot.

The impact of cutting NIH will take an incredible human toll. The major killers of men and women today are lung cancer and heart disease. What will happen to this research when there is not enough dollars to invest in finding a cure? How will we ever find a cure

for Alzheimers disease and for AIDS without investing the necessary dollars?

My own dear father died of Alzheimers disease. He died one brain cell at a time, and it did not matter that I was a U.S. Senator. All I could do was look out for him, care for him, and make sure that he was comfortable and safe. In loving memory of my father, I vowed to do all that I can to lead the fight for research to find a cure for Alzheimers.

This is what this Budget would knock out. It is a tragedy for the dedicated men and women of NIH who have committed their lives to finding cures to deadly diseases. And it is a tragedy for the American people who look to NIH to meet our day-to-day health needs and to get us ready for the future.

I am passionate about my commitment to preserve this investment. We must not turn our back on NIH. There are those who seem set on trying to dismantle the National Institutes of Health. I want to put those people on notice—they will have to put up with me first. I will do everything I can to keep the National Institutes of Health an investment that saves lives, saves jobs, and helps communities.

Mr. HATFIELD. I thank the Senator.

Mr. EXON. I applaud the Senator.

Mr. DOMENICI. I agree with the Senator.

Mr. BYRD. Mr. President, although I share the concern of my distinguished colleague from Oregon, Senator HATFIELD, about funding for the National Institutes of Health (NIH), I must oppose his amendment. I oppose his amendment because it fails to address the underlying defect in the Budget Resolution we are debating—a one-third reduction overall in nonmilitary discretionary spending.

The amendment, in effect, simply rearranges the deck chairs on the *Titanic*. It cuts across-the-board from all discretionary functions—except for military, international affairs and the functions that fall largely under the jurisdiction of the Labor, HHS Appropriations Subcommittee—to restore the 10-percent cut in NIH assumed in the budget resolution.

I emphasize the word ''assumed'' because it should be clear that the funding levels for individual programs are not determined by the budget resolution. The budget resolution only determines the amount of discretionary spending overall. The appropriations process determines the amount of funding for individual programs, such as NIH. In fact, the budget resolution does not even determine the amount of total funds available to the Labor, HHS Appropriations Subcommittee which has jurisdiction over NIH funding. Section 602(b) of the Congressional Budget and Impoundment Control Act of 1974 reserves that power to the Appropriations Committee as well.

In addition, I take strong objection to the exclusion of the military and international affairs functions from the across-the-board cut required by this amendment. The cold war is over and the military should bear a share of the cuts that this budget resolution will force the Appropriations Committee to make in most, if not all, nonmilitary programs, including the very worthy NIH.

Mr. HARKIN. Mr. President, I support the amendment offered by my distinguished colleague from Oregon, Senator HATFIELD. We have worked together in the past to increase our commitment to the National Institutes of Health [NIH]. Last year, during the health care reform debate, Senator HATFIELD and I introduced legislation to ensure that any reform plan also included increased investment in the fight against disease and disability.

But, Mr. President, I am disappointed that this amendment once again protects and preserves a bloated Pentagon budget. The budget resolution cuts over $1 trillion in Federal spending. It cuts health, education, training, veterans, and virtually everything else but it does not touch defense. The Pentagon is increased by $34.5 billion over what a hard freeze would be over the 7 years. So, while I support this amendment I believe strongly that instead of taking money away from discretionary programs that are below a hard freeze in this budget to protect NIH we should have looked to the bloated Pentagon budget.

NIH, as we all know, stands for the National Institutes of Health but it could just as easily stand for National Investment in Health. That's what we're talking about, investing in the health of our people and our economy.

Unfortunately, today we are not here to talk about taking a small step forward in medical research, we're here to prevent taking a giant leap back and cutting our commitment to research that saves lives and money.

The budget resolution before us cuts NIH by 10 percent and freezes spending through 2002. This translates into a cut of over $1 billion for fiscal year 1996 alone.

Backing away from that commitment is shortsighted and fails to recognize the important role that NIH plays in improving health care and holding down health care costs in the long run.

As former chairman of the Appropriations Committee, Senator Warren Magnuson, said ''medical research is the first link in the chain of prevention.'' Without sufficient investment, we can't build that chain.

People from all over the world come to the United States for medical care. Why? Because, we lead the world in quality of care. And research is key to this quality.

The United States has built an impressive biomedical research enterprise. Today, dramatic developments in genetics and gene therapy offer hope to many suffering from disorders such as cystic fibrosis, breast and prostate cancer, diabetes, and Alzheimer's disease.

Increased investment in health research is key to reducing health costs in the long run. And if we can unlock the cure for a disease like Alzheimer's the savings would be enormous—in dollars and human lives. Today, federally supported funding for research on Alzheimer's disease totals $300 million yet it is estimated that nearly $100 billion is expended annually on caring for people with Alzheimer's.

Gene therapy and treatments of cystic fibrosis and Parkinson's could eliminate years of chronic care costs, while saving lives and improving patient's quality of life.

Past investment in research has paid off.

Less than $1 million spent to develop a potassium citrate treatment to prevent the formation of kidney stones yields over $436.2 million in annual savings in treatment costs.

$20.1 million in NIH support over a 17-year period led to the development of an improved influenza intervention for children, saving at least $346.6 million annually from a reduction in premature mortality and long-term earnings losses.

Clinical trials to develop a laser treatment for a diabetes related eye condition cost $180.6 million and has resulted in a potential annual savings of over $1.2 billion.

New cell therapy techniques can reduce the costs of a bone marrow transplant by as much as $50,000.

This country invests far too little in medical research, less than 2 percent of the total health budget is devoted to medical research. Compare that to the Pentagon where 15 percent of military dollars are spent on research. Where are our priorities?

It is expected that this budget proposal would reduce the success rate of qualified research proposals from the current 25 percent to as little as 15 percent. Just a decade ago, it was twice that. Science and cutting edge medical research are being put on hold. And every day we wait is another day we go without finding the cure for diabetes, Alzheimer's, Parkinson's and countless other diseases.

Mr. President, this resolution also further discourages our young people from pursuing careers in medical research. The number of people under the age of 36 even applying for NIH grants dropped by 54 percent between 1985 and 1993. This is due to a host of factors but I'm afraid that the lower success rates among all applicants is making biomedical research less and less attractive to young people. If the perception is that funding for research is impossible to obtain, young people that may have chosen medical research 10 years ago will choose other career paths.

Mr. President, investing in NIH doesn't just promote the health of our people, it promotes the health of our economy. The biotechnology and pharmaceutical industries contribute some $100 billion annually to the economy and support 200,000 highly skilled jobs.

In 1994, sales of biotechnology products totaled close to $8 billion and the Department of Commerce estimates that biotechnology will be a $50 billion industry by the year 2000.

Investing in medical research promotes healthier lives, creates jobs, and strengthens our economy and our competitive position in the global marketplace. It's the right thing to do and the smart thing to do.

Mr. President, I support this amendment. But, even if this amendment passes as expected, it does not address the underlying defect in the budget resolution we are debating, a one-third reduction overall in nonmilitary, discretionary spending.

This amendment cuts across-the-board from all discretionary functions, except for national defense, international affairs and the functions that fall largely under the jurisdiction of the Labor, HHS Appropriations Subcommittee, to restore the 10-percent cut in NIH assumed in the budget resolution.

But, Mr. President, funding levels for individual programs are not determined by the budget resolution. The budget resolution only determines the amount of discretionary spending overall. It is the appropriations process that determines the amount of funding for individual programs, such as NIH. So, Mr. President, despite this amendment, the Appropriations Committee will be faced with a one-third reduction in nonmilitary discretionary spending and, therefore, all discretionary spending programs such as the NIH are going to be subject to cuts because of this budget resolution.

Mr. KYL. Mr. President, I support what the chairman of the Appropriations Committee, Senator HATFIELD, is attempting to do, ensure that sufficient funding is made available for the work of the National Institutes of Health [NIH]. I strongly support the important work that body is undertaking, particularly with respect to research on breast and prostrate cancer, heart disease and diabetes.

However, what troubles me about this amendment is the proposition that it isn't possible to reorder priorities within function 550—the health account—to make the necessary funding available to the NIH. To make the amount of funding contemplated by the amendment available to the NIH, we simply have to shift $1 billion within function 550, an account that will total $120 billion in fiscal year 1996, rising to $150 billion by 2002. Instead, the amendment takes money out of other accounts, including funding for veterans, and that seriously concerns me.

The budget resolution already contemplates a phase-out of construction of VA facilities. Higher prescription copayments for certain veterans are assumed. Outlays for veterans programs would actually amount to $500 million less next year compared to this year. And the Hatfield amendment would take another $224 million a year out of veterans programs on top of that.

If I thought that it wasn't possible for Congress, for the appropriators, the Health and Human Services Department or the NIH itself to prioritize spending for the good and necessary work that the NIH does, I might be willing to support this amendment.

However, we all know that the budget resolution doesn't require that NIH funding be cut, only that funding within function 550 not exceed a specified level. There are ways to do that without adversely affecting the work that the NIH does. For example, the growth of Medicaid could be slowed, as Senator GRAMM proposed yesterday.

I am confident that, as the author of the amendment and as chairman of the Appropriations Committee, Senator HATFIELD won't allow the NIH budget to be cut too deeply when it comes time to appropriate money for the NIH. The Department of Health and Human Services and the NIH won't sacrifice critical research when it comes time to prioritize the use of funds that are ultimately appropriated.

Mr. President, I want to work with the chairman of the Appropriations Committee to find a solution, but one which doesn't adversely affect our Nation's veterans.

Mr. HATCH. Mr. President, I rise in support of the amendment offered by my colleague from Oregon, long recognized as a leader in our efforts to promote biomedical research. I can think of no more worthy a purpose than to restore funding for the National Institutes of Health. NIH is the world's premier biomedical research institution. It is our investment in the Nation's future health. I have watched with pride as NIH has grown during my years in the Congress. I have watched with pride as exciting discovery after discovery spawned by the NIH has become a reality. I have watched with pride as efforts at the premier research institutions in Utah, such as the excellent work at the University of Utah, have led to incredible discoveries helping to improve literally millions of lives.

As with many of my colleagues, I was very disappointed when the measure approved by committee set NIH on a such a steep downward funding path. While I do not believe any program or agency should be immune from reductions in our efforts to get Federal spending under control, the NIH may have been hit too hard.

Some may say that a 10-percent cut in NIH does not sound like a lot, but it is. The President's proposed NIH budget of $11.8 billion was intended to support 23,874 research project grants, which includes 6,046 new and competing research project grants. Maybe that sounds like a high level, but it is not. The President's proposal represented a decrease of 522 new and competing grants from this fiscal year, and the budget resolution funding level will lead to even further reductions.

In 1987, by comparison, we funded almost 7,200 new and competing grants. It is not commonly recognized, in addition, that the majority of projects submitted to the NIH, extremely worthy projects which could yield scientific advances as promising as any, are not funded. Just look at the numbers: This year, project grants at NIH are expected to have a 24-percent success rate; this means that only one-quarter of the projects which are approved are funded.

Under the President's budget, it is expected to decline to 23 percent. And under the budget resolution, to an even smaller percentage. Contrast this to 1992, when the success rate was 29.6 percent, or 1986, when it was 32.1 percent. Although I do strongly support this amendment, I also want to express my concern about the ''offsets'' used to ''pay for'' the amendment, or, in other words, about the source of funding which will make up the difference if NIH funding were increased and the entire budget resolution is to stay within the same overall cap.

As I understand the amendment offered by my colleague, it would restore $7 billion of the proposed $7.9 billion reduction in NIH funding over the coming 7 fiscal years. The difference would be made up by an across-the-board reduction in all budget functions except for the social programs, broadly speaking, and defense and international affairs. The effect of this amendment is to place the burden of making up the difference on the other accounts within the budget, many of which are already sustaining large reductions.

For example, under this amendment, in order to increase NIH, decreases would be effected in programs for veterans, agriculture, space and science research, energy, natural resources, and community development.

I am particularly concerned about a proposed reduction of about $1 billion over 7 years in law enforcement and crime prevention efforts, at a time when increased acts of violence and terrorism throughout the United States are threatening the ability of peaceful, law-abiding citizens to lead their lives.

In addition, I would point out to my colleagues that under the budget resolution, funding for function 550, the health function, comes down 12.2 percent overall. However, several accounts are held harmless within that function, including the Food and Drug Administration, which would receive $884 million—AIDS programs at the Health Resources and Services Administration—$656 million—the Indian Health Service—$1.963 billion—the Centers for Disease Control—$2.88 billion—the Substance Abuse and Mental Health Services Administration—$2.197 billion—and AIDS research at NIH—$1.336 billion. These programs were all held level.

I urge the House and Senate budget conferees to take a look at the entire health function to see if we are allocating funds most appropriately in relation to the other budget functions.

Obviously, I have no interest in seeing very vital programs such as Indian health or AIDS sustain unwise reductions. At the same time, I do not wish to see the Administration of Justice account, or veterans programs, for example, sustain inappropriate reductions.

It is my desire that conferees take all these competing needs into account and create the best possible balance.

That being said, Mr. President, I urge adoption of the Hatfield amendment on NIH.

Mr. HOLLINGS. Mr. President, I thank the distinguished Senator from Oregon, Senator HATFIELD, for his leadership in providing biomedical research funding, and I strongly support his amendment to restore $1 billion per year that otherwise would be cut under this Senate budget resolution.

Most basic biomedical research in this Nation is supported by the National Institutes of Health. Nearly every week we hear of advances against disease supported by NIH grants. As such, NIH not only reduces suffering in our country, it lays the groundwork for economic growth and leads the world in the fight against disease.

Despite our profound responsibility to maintain NIH funding, we currently provide funds adequate to support only one in four research proposals. The Senate budget resolution could cut that current support level to 1 in 10.

At that level, young researchers will be strongly encouraged to seek other careers. The steady stream of Nobel Prize winners at NIH—89 so far—will dry up. In short, we will be cutting into the muscle and bone of an institution that demonstrates the best of American Government and the best of human endeavor.

Furthermore, the Senate budget resolution funding levels would effectively forestall life-saving, cost-effective research. NIH is currently in the middle of many long-term projects that revolutionary implications for medicine. NIH is supporting a $3 billion, 15-year effort to map the human genome. This project underlies the revolution in genetic medicine that has implications for cancer, developmental disabilities, Alzheimer's disease, juvenile diabetes, and numerous other diseases. NIH began a 12-year, $68 million prostrate cancer prevention trial in 1991. It began a $50 million, 11-year childhood asthma management program in the same year. In 1990, it began a 12-year test of tamozifen treatments for breast cancer among a randomized group of 16,000 women. It continues to support the Framingham longitudinal investigation of factors influencing the development of cardiovascular disease, which began in 1948. Next year NIH plans to support six centers specializing in hypertension research over 5 years.

These are just a few examples of the critical research underway at NIH that should not be eliminated or delayed in the name of short-term budgetary gains. The truth is, we save money through biomedical research. Recent NIH advances in the therapy of sickle cell disease save an estimated $350 million annually. Recent advances against alcoholism save $125 million annually. Research underway to delay the onset of blindness in diabetics and to delay the onset of Alzheimer's could save billions. Simply delaying the onset of cardiovascular disease by 5 years is estimated to potentially save $70 billion yearly. And clearly, without progress against AIDS, will continue to spend billions in our hospitals and in lost human productivity.

So, Mr. President, we cannot responsibly turn away from these research needs. We must provide for them in the budget, and Senator HATFIELD has provided the vehicle to do so. Again, I thank him for his leadership and urge all of my colleagues to support the Hatfield amendment.

Mr. LEVIN. Mr. President, I rise in strong support of the Hatfield amendment which adds $1 billion to the budget for the National Institutes of Health [NIH]. The budget proposal before us recommends a 10 percent cut for the NIH in fiscal year 1996, and then a freeze at this lower level through the year 2002. This means that the NIH budget would be cut from $11.3 billion in fiscal year 1995 to $10.2 billion in fiscal year 1996, and then frozen at $10.2 billion through 2002.

If the proposed cuts are permitted to take place, it would damage NIH research at a time of unprecedented productivity, drive talented scientists, both young and established, into other careers, and cause the United States to lose its hard-won leadership in such fields as biotechnology and pharmaceuticals.

Mr. President, NIH has been a tremendous investment for the American people. The research supported by NIH has saved lives, reduced suffering, and led to lower medical costs. The NIH has an impressive collection of new successes, such as the following list of some fundamental discoveries and clinical advances for the past year:

A revolution in cancer risk assessment, the long-sought gene for some heredity breast cancers, BRCA-1, has been isolated, as have genes that predispose some patients to colon cancer, melanoma, and kidney cancer.

A simple drug, hydroxyurea, alters the composition of hemoglobin and thereby reduces by half the painful crisis that commonly hospitalize patients with sickle cell disease.

Hormone replacement successfully controls blood lipids in postmenopausal women and likely reduces cardiovascular disease.

A new acellular vaccine for whooping cough is safe as well as effective.

The biomedical research supported by NIH makes vital contributions to the Nation's health, improving the quality of life, advancing science, and creating economic growth. Advances derived from NIH research save an estimated $69 billion in medical care costs each year. Because of the discoveries made by biomedical researchers over the years, we live longer, healthier, and more active lives. Today, an American's life expectancy is 75.5 years, an increase of almost 5 years since 1970.

If this progress is to continue, it is imperative that the NIH budget be preserved. Stable NIH funding is required to maintain laboratories performing cutting edge research. Even a short hiatus in funding results in loss of established research programs that can not be readily recovered.

I urge my colleagues to support this amendment.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOMENICI. Mr. President, I ask unanimous consent that, at the conclusion of the debate on the Hatfield amendment, the Senate begin voting in the following sequence: on the Harkin amendment, on the Feingold amendment, on or in relation to the Bumpers amendment, on or in relation to the Dodd substitute, on or in relation to the Snowe amendment, and on the Hatfield amendment. I further ask unanimous consent that the first vote in this sequence be 20 minutes and thereafter the remaining ones, back to back, be 10 minutes each.

The PRESIDING OFFICER. Do I hear objection?

Mr. LEAHY. Reserving the right to object, and I shall not, I missed, Mr. President, what the distinguished manager said. Did he say when these votes would begin?

Mr. DOMENICI. Well, they will begin when Senator HATFIELD's time has run out.

Mr. LEAHY. I thank the Senator. I have no objection.

Mr. EXON. Reserving the right to object, and I do not intend to object, I would just say, for purposes of clarification, two things. With regard to the Snowe amendment, could we insert in the language ''the Snowe amendment, as amended, if amended''?

Mr. DOMENICI. I have no objection.

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

Mr. EXON. One further question. Could we get agreement at this time to move things along. As the Senator from Nebraska has continually warned, we are running out of time. Could we get an agreement, as a part of this unanimous-consent agreement, to have the votes on the series of amendments that have been outlined by the chairman of the committee to start, I am suggesting, maybe at 10 minutes after 10 or something of that nature?

Mr. DOMENICI. I think Senator HATFIELD has 17 minutes.

Mr. HATFIELD. I have 17 minutes and other Senators are asking to be heard. I would agree, say, to a quarter after 10, provided this time is not charged against my allotment.

The PRESIDING OFFICER. The time remaining to the Senator from Oregon is 14 minutes 56 seconds.

Mr. HATFIELD. Does that include this period of colloquy?

The PRESIDING OFFICER. That time has come out of the time of the Senator from New Mexico, who requested the time.

Mr. DOMENICI. So, Mr. President, for the understanding of everyone, Senator HATFIELD has 15 minutes, and I will yield back the remainder of the time on the amendment so we will have more time for other amendments, and we will proceed in this order.

Mr. EXON. So the vote will be in the area of 10:15?

Mr. DOMENICI. That is about right.

Mr. LEAHY. Reserving the right to object, will the distinguished manager be willing to amend that to the following: that after the series of votes, the Senator from Vermont be recognized for not to exceed 4 minutes to speak on two resolutions which will be voted on.

Mr. EXON. Mr. President, it seems to me that the Senator from Vermont, with all due respect, is trying to step ahead of several other Senators whom we have made commitments to. I would ask the Senator to withdraw that request.

Mr. LEAHY. I was not aware of the commitments.

I withdraw the request.

The PRESIDING OFFICER. Is there objection? Hearing none, so ordered.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. I yield 3 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I rise in strong support as a cosponsor of the Hatfield amendment. I also want to commend the Senator from Florida for his very eloquent statement on why the NIH is so important to this Nation, and I do not have too much to add to that.

But I will point out that this is a perfect example of what can happen if we are not careful as we go forward with the debate on the budget and agree to cut things without recognizing that, in many cases, those things that we seek to cut to try to reduce the deficit, in effect, will add to the deficit. That is certainly true when it comes to medical research.

Time and time again, we have been able to make breakthroughs through the research by the NIH. Those breakthroughs have resulted in considerable, if not substantial, and gigantic savings in the cost of health care.

We all know that as we move forward, the most essential area that we have to control costs in is the health care area. So I would say that the NIH is clearly an entity that must be maintained because this is one area where they have a role and a role that must be maintained to not only do the research that they do at the NIH but, in addition to that, to take care of the research that is done in the hospitals, the training schools and the training universities, so that our whole area of health care can improve as we move along.

This creates many jobs through the biomedical research and technology transfers and all this adds, again, revenues to our deficit.

The resulting knowledge is essential from these entities for established industries such as DNA and other areas of research.

In other areas, we have saved already billions of dollars with respect to psychoactive drugs that save over $70 billion a year in hospitalization of mental patients. Vaccines and fluoridation save countless health care dollars and, again, help reduce the deficit.

The recent discovery of bacterial causes of peptic ulcers will save millions in chronic care costs. As I said over and over again, the same is true in education generally, not just medical education; that if we cut those things which are resulting in savings, then our job to solve the deficit problem will get worse and worse instead of better.

So I commend the Senator from Oregon for this amendment and support it with enthusiasm. If I have any time remaining, I yield it back.

Mr. HATFIELD. Mr. President, I thank the Senator for his comments. I yield 2 minutes to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 2 minutes.

Mr. GREGG. Mr. President, I wish to join with many of my colleagues today who support the amendment of the Senator from Oregon. In the process of developing a budget, we have to set priorities and, in this instance, I think the Senator from Oregon has rightly pointed out the initial budget resolution had some priorities that should be adjusted, and he has certainly pointed out the strengths and importance of NIH and what it contributes to the fabric of America's society and it should be supported. I strongly commend him for that. Therefore, I will vote for this amendment.

NIH is a unique institution. It is a collection of some of the most talented and brilliant individuals from around the world, but especially from the United States, who are working together to push the envelope of improving the health of not only the American people but the world in general.

It is an institution which is also fairly delicate. That type of talent and ability needs to be nurtured and needs to be supported, and it can be affected rather considerably by changes in its funding structure or in its general structure.

Therefore, I want to commend and support what the Senator from Oregon has decided to do with this amendment, which is to assure that NIH remains a strong and vibrant institution as we move into the future, and that their commitment to improving the lives of all Americans will not in any way be undermined by this budget resolution.

So I support and look forward to voting for the amendment offered by the Senator from Oregon.

I yield back the remainder of my time to the Senator from Oregon.

The PRESIDING OFFICER (Mr. JEFFORDS). Who yields time?

Mr. HATFIELD. Mr. President, I have a number of comments I wish to close with, but if there are questions pending, I would like to respond.

Mr. BYRD. Mr. President, will the distinguished Senator yield for a question?

Mr. HATFIELD. I will be very happy to yield.

Mr. BYRD. There is some confusion as to where the offsets are coming from. Will the Senator please state where he is getting these offsets for his increase in the NIH funding?

Mr. HATFIELD. Mr. President, the offsets are coming from nondefense discretionary funds and accounts. I have pages of tables here on each precise account that would indicate where they are coming from. We have excluded within that Medicare, and the health services, but they are then from all other remaining of the nondefense discretionary accounts.

Mr. BYRD. Well, I am a strong supporter of adequate funding of NIH research programs, but we are already suffering terrible blows to nonmilitary discretionary programs. I would like to have seen the Senator's amendment take the funds out of military discretionary programs and foreign aid.

I would like to know just what other programs are being cut. The distinguished Senator has stated that certain programs are not being cut. But what does this leave by way of nonmilitary discretionary programs that are going to suffer additional cuts over and above those that are already involved in the resolution?

Mr. HATFIELD. Mr. President, I will respond by saying I wholeheartedly agree. In fact, at the beginning of my time allocation today, I sent to the desk a proposal that would take these funds, offset these funds from everything in the discretionary area, including military.

Having shopped that proposal around the Senate, I calculated we would have had about 20 votes. So we would have ended up with the dismantling, what I call this proposal, which is a prelude to disaster, of the medical research infrastructure we have developed in this country, the greatest in the world.

By taking a second-degree or withdrawing the first and offering the second proposal, which was to exclude the military, by that action, we have salvaged, at the expense of a fewer other agencies than my first proposal, but we at least have salvaged the future of NIH.

It is a matter of robbing Peter to pay Paul, I suppose would be the most succinct way to do it. Not my preference, but with the political reality I face on this floor, it was the only way I could find to salvage and save NIH.

Mr. BYRD. In other words, if I may pursue the subject a bit further, it would mean additional cuts in VA programs?

Mr. HATFIELD. Yes.

Mr. BYRD. It would mean additional cuts in education programs?

Mr. HATFIELD. Yes.

Mr. BYRD. It would mean additional cuts in various other health programs?

Mr. HATFIELD. Yes, various others. Nondefense discretionary funds, with the exclusion of the health programs and Medicare.

Mr. BYRD. It would mean additional cuts in law enforcement?

Mr. HATFIELD. Yes.

Mr. BYRD. Mr. President, I thank the distinguished Senator. I applaud his objective. I want to support the amendment, but at the same time, I find it hard to continue to cut more and more and more from these other nonmilitary discretionary programs.

I suppose we are faced with the choice now of either voting for or against the amendment. I am sorry that other nonmilitary programs are to be cut.

We apparently do not have the votes in here to cut military funding. As an example, the B–2 bomber costs somewhere between $740 million and $1.2 billion per copy—and I believe that we have already committed ourselves to a contract for 20 additional B–2 bombers to be completed by the year 2000. There are many other military programs of like manner that I could cite, but I will not do it at this time. I thank the distinguished Senator for allotting me this opportunity to ask a question.

Mr. HATFIELD. Mr. President, I share the agony. Believe me, one might think that we have cause to celebrate a victory if this amendment passes—which I expect it to do, and to survive conference, which I hope it could do—but I do not believe that it does call for a joint celebration because we have achieved one goal at a pretty heavy cost to an awful lot of other programs that I have deep interest in, as well. It is like choosing between your children. It is very difficult.

Mr. President, if I could have the attention of the chairman of the Senate Budget Committee, I would like to ask a question for the RECORD. In the report of the Budget Committee accompanying this resolution, where there were exemptions listed within the report language, if this amendment is adopted, do I understand clearly that that will then, in effect, eradicate, eliminate, excise those conditions within the report language of exemptions?

Mr. DOMENICI. The Senator is absolutely correct.

Mr. HATFIELD. Thank you.

Mr. President, in closing, I thank my colleagues who joined in this effort. I say that it is, I believe, a step in the right direction. But, at the same time, I want to take a moment, once again, to commend the chairman of the Budget Committee, Senator DOMENICI from New Mexico. I would not trade with him for all the tea in China. I think Senator DOMENICI has probably one of the toughest jobs in the Senate. No matter what he does and his colleagues on that committee, it is a no-win situation. It is a very, very difficult task. I think they have carried their duties with not only great skill, great dignity and, above all, with remarkable patience. I have been in the strategy meetings, and everybody is gigging, and I am happy that everybody is taking it out on good old PETE. I want to come to his defense—not that he needs my defense—but I admire him as chairman of the committee. I admire what he does and his dedication and spirit. And I deeply admire him as one of my closest personal friends.

Mr. DOMENICI. Mr. President, I think the Senator has 1 minute. If he does not mind, I will use it. I personally thank Senator HATFIELD for his comments. I think it is obvious to everyone that you do not have a budget resolution like the one pending on the floor without a lot of cooperation. On our side, let me say that the chairman of the Appropriations Committee clearly could have made this more difficult, and he chose to go with us on a balanced budget. He has been a strong advocate on it. We are not going in a direction he might choose, but I think he indicated to me that he is so concerned about our deficit spending that he compliments us on what we are doing.

Let me also say there is no doubt in my mind that the funding for the NIH that the distinguished Senator from Oregon seeks could be accommodated in the budget resolution by the appropriators, by allocating differently and leaving more for the NIH. I think the Senator has decided he wants the Senate to speak on the issue. I gather that is the purpose of the vote.

I yield the floor.

Mr. HATFIELD. 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. Does the Senator from Oregon yield the remainder of his time?

Mr. HATFIELD. Yes.

Mr. DOMENICI. I yield any time I may have had remaining, Mr. President.

AMENDMENT NO. 1130

Mr. BRADLEY. Mr. President, I rise in support of the Bumpers-Bradley amendment to strike language that would allow us to count the sale of public assets—parks, powerplants, buildings, even oil in national storage facilities—as deficit reduction.

This bill language will open the floodgates for proposals to unload valuable Federal assets in return for the fast buck. Many of these proposals, in fact, will lead to reduced revenues in the future, and higher deficits. Only by a reliance on today's political myopia—a simpleminded scoring of sales revenue within the limited budget window—will many of these proposals withstand the straight face test. Only by railroading these proposals through the Senate, under the very restrictive and controlled conditions of budget reconciliation, would many of these proposals ever have a chance of becoming law.

I have not seen the Budget Committee's latest scoring of these asset sales receipts. But I note for colleagues' benefit that the analysis that I have shows an interesting point. In the short term, the committee's proposals produce deficit reduction. In the longer term, however, and certainly by the year 2002, these savings disappear. In fact, selling these assets appears to reduce future revenues sufficiently that the actual effect by the year 2002 is that the deficit increases. Asset sales are short-term and short-sighted.

It would be helpful to review why we produce these budget resolutions in the first place. The reason is not to balance the budget. If it was, I'm sure we could create some appropriate fiction which showed budgetary balance by definition.

But that's not what we were supposed to be doing here. We're supposed to be systematic. We're supposed to be honest. We're supposed to be consistent. We're supposed to address the substantive, structural issues which keep the Federal Government spending—year in, year out—more money than it takes in.

So what do we have here, buried deep in this bill? We have a trick, a gimmick. We cut spending, by redefining what a cut is. Now, for the first time since we gave this budget process teeth—with the passage of Gramm-Rudman—we can sell off national property—national assets—and include the proceeds as deficit reduction.

Mr. President, because of these cynically clever changes, we can now propose—for example—to sell nearly a billion dollars' worth of oil from the strategic petroleum, and chalk that up to deficit reduction.

Notwithstanding the fact that both Democratic and Republican administrations have endorsed expanding the SPR, notwithstanding the fact that hardly a week goes by without some oil State Senator coming to the floor to talk about rising oil imports and the threats to national security, notwithstanding the fact that at any time we could liquidate this oil inventory for cash, how can we seriously allege that this particular sale has anything to do with positive public policy, with putting our fiscal house in order, with creating a better future for our children?

Why stop at a billion dollars of SPR oil? Sell it all. And credit the $10 billion raised to balancing the budget or protecting our children's future.

This asset sale language will lead to all sorts of questionable proposals. It may make sense to sell the assets of the Tennessee Valley Authority, or Bonneville Power, or the hydrodams in

the West, or some small park in Louisiana or Texas or Virginia. But these arguments need to have a broader basis than the most simpleminded budget concerns.

In fact, I doubt that any business accountant or economist would agree with the underlying budgetary premise—that liquidating public assets adds to public wealth. If I sell my stock portfolio and put the returns in my checking account, do I become wealthier? Have I protected my children? It may make sense to make sell my stocks, but the transaction itself produces no wealth—except for my broker.

Consider the Arctic National Wildlife Refuge. We can lease the refuge to oil developers and sell any oil that might be underground to them. We will get some money. The companies will get the rights to oil. If they find oil, probably it will be shipped to the Pacific rim and burned completely. Have we done a lot for our kids? You must be joking.

At best, we can claim for our children a neutral financial transaction. But what about the larger issues? If we go ahead with the development of ANWR, we damage probably irrevocably a unique, world-class ecosystem. We consume utterly a non-renewable resource. We get some cash.

If we forgo the drilling of ANWR, we preserve intact this ecosystem. We preserve intact any oil underground and the possibility of future development. We do not get the cash.

I, frankly, reject any claim that our children will thank us for using up this oil and running oil rigs and oil pipelines across the Arctic Plain.

Mr. President, what the American public expects, and what our children expect, is for us to get our fiscal house in order. Our children are not asking us to sell off their collective inheritance. Our children are not asking us to look narrowly at some budget window and forget that many of these assets produce public value—and I do not just mean financial value—beyond the window.

When one Member from the other side of the aisle, Senator CRAIG, considered this issue as a House Member, he said ''asset sales are in fact blue smoke and mirrors at best. If they are to happen, they should be set off budget.'' Exactly right.

Mr. BAUCUS. I rise today in support of the amendment offered by my colleague, Senator BUMPERS, to strike a provision of the budget resolution that would allow scoring of revenues from the sale of Federal assets. Make no mistake, I believe in reducing the Federal deficit. But this is simply the wrong way to do it.

The current rule prohibiting the scoring of Federal asset sales, first adopted as part of the 1987 Gramm-Rudman-Hollings Act, has been incorporated into recent budget resolutions. When it was first adopted, Senator Chiles, then chairman of the Senate Budget Committee, made it clear that the rule was intended to prevent the use of asset sales from being used to jimmy the figures, in other words to give the appearance of deficit reduction without really reducing spending.

The same principle applies here today. By changing the current rule prohibiting the scoring of Federal asset sales, the budget resolution would allow individual Committees to reach their deficit reduction targets by selling off Federal properties. This is a short-sighted strategy that sacrifices our children's heritage for an immediate infusion of cash; we should not use their inheritance to pay our debts.

There are two examples where I think this strategy is particularly misguided. The first is the sale of power marketing agencies that year after year provide affordable electricity to people in rural communities across this country. The second is the leasing for oil and gas development of one of this Nation's most magnificent wildlife refuges, the Arctic National Wildlife Refuge in Alaska.

POWER MARKETING AGENCIES

I've spoken many times before opposing the sale of power marketing agencies as a silly and shortsighted idea. It's nonsense. We should be selling off our infrastructure. We would be opening the door to monopolies. And that spells higher utility bills for ratepayers in Montana and other States across the Nation. In other words, it's nothing but a heavy-handed, punitive tax on the middle class.

ARCTIC NATIONAL WILDLIFE REFUGE

The budget resolution also proposes to lease the Arctic National Wildlife Refuge, which is in the northeast corner of Alaska. The refuge supports a spectacular diversity of wildlife, including polar bears, grizzly bears, wolves, and snow geese. In addition, more than 150,000 caribou migrate through the refuge, bearing their young on the coastal plain. The caribou are an important source of food for the native people who live near the refuge and continue, as their ancestors have for generations, to depend on the land to sustain their way of life. In 1987, the United States and Canada signed an International Agreement for the Conservation of the Porcupine Caribou Herd.

Under the Alaska National Interest Lands Conservation Act, which Congress passed in 1980, oil and gas development is prohibited in the 19 million acre refuge unless authorized by Congress. Because the 1.5 million acre coastal plain is such an important and unique are for wildlife, I believe it should be permanently protected. I have cosponsored a bill (S. 428) to designate that area as wilderness.

However, regardless of whether you agree with me that this area should be permanently protected or, as the Budget Committee proposes, it should be opened for drilling, I believe this issue is too significant and too complex to be resolved during the budget process. The budget process focuses on the short-term economic gains to be obtained by drilling. It is not suited to considering what benefits and values will be lost for future generations of Americans by developing this pristine wildlife refuge. The budget resolution and the subsequent reconciliation bill are two of the very few bills where Senate rules limit debate and amendments. In my opinion, this path does not provide an adequate opportunity to evaluate alternatives, to question the assumptions on which those projected economic gains are based, or to fully consider the potential impacts of drilling on the fragile arctic environment.

These decisions could result in higher utility bills for middle-class Americans across the country and significantly impact one of our most precious national wildlife refuges. To ensure that these issues receive the full consideration and debate they deserve, I urge my colleagues to reject the proposed rule change that would allow the scoring of federal asset sales and to vote for the Bumpers amendment.

VOTE ON AMENDMENT NO. 1126

The PRESIDING OFFICER. All time has been yielded back.

According to the previous order, the vote will now occur on amendment No. 1126 offered by the Senators from Iowa and Arkansas.

Mr. EXON. Mr. President, I request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1126.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Missouri [Mr. BOND] is necessarily absent.

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

The result was announced—yeas 28, nays 71, as follows:

[Rollcall Vote No. 181 Leg.]

YEAS—28

Akaka	Jeffords	Murray
Boxer	Kennedy	Pell
Bradley	Kerrey	Pryor
Bumpers	Kerry	Reid
Byrd	Kohl	Rockefeller
Daschle	Lautenberg	Sarbanes
Dorgan	Leahy	Simon
Feingold	Levin	Wellstone
Harkin	Moseley-Braun	
Hatfield	Moynihan	

NAYS—71

Abraham	Cohen	Glenn
Ashcroft	Conrad	Gorton
Baucus	Coverdell	Graham
Bennett	Craig	Gramm
Biden	D'Amato	Grams
Bingaman	DeWine	Grassley
Breaux	Dodd	Gregg
Brown	Dole	Hatch
Bryan	Domenici	Heflin
Burns	Exon	Helms
Campbell	Faircloth	Hollings
Chafee	Feinstein	Hutchison
Coats	Ford	Inhofe
Cochran	Frist	Inouye

Johnston
Kassebaum
Kempthorne
Kyl
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Murkowski
Nickles
Nunn
Packwood
Pressler
Robb
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—1

Bond

So the amendment (No. 1126) was rejected.

Mr. EXON. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. EXON. Mr. President, I ask for the yeas and nays on two amendments that have been previously ordered to be voted on. I ask for the yeas and nays on the Feingold amendment and the yeas and nays on the Dodd substitute.

The PRESIDING OFFICER. Is there a sufficient second?

Is there objection to ordering the yeas and nays en bloc?

Mr. DOMENICI. Mr. President, there is no motion en bloc, is there?

The PRESIDING OFFICER. There is a sufficient second. Hearing no objection, the yeas and nays are ordered.

The yeas and nays were ordered.

VOTE ON AMENDMENT NO. 1127

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1127.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Missouri [Mr. BOND] is necessarily absent.

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

The result was announced—yeas 44, nays 55, as follows:

[Rollcall Vote No. 182 Leg.]

YEAS—44

Akaka
Biden
Bingaman
Boxer
Breaux
Bryan
Bumpers
Byrd
Chafee
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NAYS—55

Abraham
Ashcroft
Baucus
Bennett
Bradley
Brown
Burns
Campbell
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kyl
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—1

Bond

So the amendment (No. 1127) was rejected.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 1130

The PRESIDING OFFICER. The question now is on agreeing to amendment No. 1130 of Senator BUMPERS.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The majority manager of the bill.

Mr. DOMENICI. Mr. President, I move to table the Bumpers 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.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the Bumpers amendment, No. 1130. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Missouri [Mr. BOND] is necessarily absent.

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

The result was announced—yeas 52, nays 47, as follows:

[Rollcall Vote No. 183 Leg.]

YEAS—52

Abraham
Ashcroft
Bennett
Brown
Burns
Campbell
Chafee
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—47

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Cohen
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NOT VOTING—1

Bond

So the motion to table the amendment (No. 1130) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

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

VOTE ON AMENDMENT NO. 1131

The PRESIDING OFFICER. The question occurs with respect to amendment No. 1131 offered by the Senator from Connecticut [Mr. DODD] to amendment No. 1128, offered by the Senator from Maine [Ms. SNOWE].

Mr. DOMENICI. Mr. President, I move to lay that amendment on the table, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table amendment No. 1131. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Missouri [Mr. BOND] is necessarily absent.

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

The result was announced—yeas 51, nays 48, as follows:

[Rollcall Vote No. 184 Leg.]

YEAS—51

Abraham
Ashcroft
Bennett
Brown
Burns
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—48

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Campbell
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NOT VOTING—1

Bond

So the motion to lay on the table the amendment (No. 1131) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 1128

The PRESIDING OFFICER. The question now occurs on Amendment No. 1128 offered by the Senator from Maine [Ms. SNOWE].

The yeas and nays have been ordered.

The clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Missouri [Mr. BOND] is necessarily absent.

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

The result was announced—yeas 39, nays 60, as follows:

[Rollcall Vote No. 185 Leg.]

YEAS—39

Abraham	Harkin	Murkowski
Akaka	Hatch	Pressler
Biden	Helms	Rockefeller
Bingaman	Hollings	Roth
Bradley	Kassebaum	Santorum
Brown	Kempthorne	Simon
Campbell	Kennedy	Simpson
Chafee	Kyl	Snowe
Cohen	Levin	Specter
Feingold	Lott	Stevens
Frist	Lugar	Thomas
Grams	McCain	Thurmond
Grassley	Moseley-Braun	Wellstone

NAYS—60

Ashcroft	Dorgan	Lautenberg
Baucus	Exon	Leahy
Bennett	Faircloth	Lieberman
Boxer	Feinstein	Mack
Breaux	Ford	McConnell
Bryan	Glenn	Mikulski
Bumpers	Gorton	Moynihan
Burns	Graham	Murray
Byrd	Gramm	Nickles
Coats	Gregg	Nunn
Cochran	Hatfield	Packwood
Conrad	Heflin	Pell
Coverdell	Hutchison	Pryor
Craig	Inhofe	Reid
D'Amato	Inouye	Robb
Daschle	Jeffords	Sarbanes
DeWine	Johnston	Shelby
Dodd	Kerrey	Smith
Dole	Kerry	Thompson
Domenici	Kohl	Warner

NOT VOTING—1

Bond

So the amendment (No. 1128) was rejected.

Mr. GLENN. Mr. President, I move to reconsider the vote.

Mr. EXON. Mr. President, I move to lay that motion on the table.

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

VOTE ON AMENDMENT NO. 1133

The PRESIDING OFFICER. The question now occurs on amendment numbered 1133, offered by the Senator from Oregon [Mr. HATFIELD].

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Missouri [Mr. BOND] is necessarily absent.

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

The result was announced—yeas 85, nays 14, as follows:

[Rollcall Vote No. 186 Leg.]

YEAS—85

Abraham	Baucus	Biden
Akaka	Bennett	Bingaman
Boxer	Gramm	Moseley-Braun
Bradley	Grams	Moynihan
Breaux	Grassley	Murkowski
Brown	Gregg	Murray
Bryan	Harkin	Nickles
Bumpers	Hatch	Nunn
Burns	Hatfield	Packwood
Campbell	Heflin	Pell
Chafee	Helms	Pressler
Cohen	Hollings	Pryor
Conrad	Hutchison	Reid
Coverdell	Inhofe	Robb
D'Amato	Inouye	Roth
Daschle	Jeffords	Santorum
DeWine	Kassebaum	Sarbanes
Dodd	Kennedy	Shelby
Dole	Kerrey	Simon
Domenici	Kerry	Simpson
Dorgan	Kohl	Snowe
Exon	Lautenberg	Specter
Faircloth	Leahy	Stevens
Feingold	Levin	Thomas
Feinstein	Lieberman	Thurmond
Ford	Lugar	Warner
Frist	Mack	Wellstone
Glenn	McConnell	
Graham	Mikulski	

NAYS—14

Ashcroft	Gorton	McCain
Byrd	Johnston	Rockefeller
Coats	Kempthorne	Smith
Cochran	Kyl	Thompson
Craig	Lott	

NOT VOTING—1

Bond

So the amendment (No. 1133) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. EXON. Mr. President, I believe now we would proceed under the previously agreed to order. I yield such time as she may need to the Senator from the State of California.

The PRESIDING OFFICER. The Senator from California [Mrs. BOXER].

Mr. DOMENICI. Mr. President, will the Senator yield on my time?

Mrs. BOXER. Of course. I am happy to yield.

Mr. DOMENICI. How much time remains on the bill?

The PRESIDING OFFICER. One hour forty-nine minutes.

Mr. DOMENICI. It is divided about equally?

Mr. EXON. I believe the time rests with the minority.

Is that correct?

The PRESIDING OFFICER. The time controlled by the Senator from Nebraska is 1 hour and 49 minutes.

Mr. DOMENICI. Mr. President, I want to remind Senators that when that 1 hour and 49 minutes is up—and, obviously, if the Senator uses the full hour—we will use a full hour on our side on the amendment. Then there will not be any time left.

It would seem to me that we ought to try to expedite things and find out how many amendments are real. I will try to do that in the next 10 minutes; find out exactly how many amendments we must have on our side. I hope we will try because I think Senators must know. Last year, on the budget resolution, there were 20 or 35 amendments, and the way the majority leader then did it was the clerk read one sentence explaining it and we voted.

Mrs. BOXER. Mr. President, I think I can enlighten my friend. It is this Senator's intention to use only about 5 or 6 minutes, then to yield back my time on this amendment to my ranking member, Senator EXON, and then he will yield to other Senators to explain their amendments. That is the plan.

Mr. DOMENICI. That is fine. I just want Senators to know that even if the Senator yields her time I do not have to yield my time. I would like to get some understanding of how we are going to use the time because I will use an hour in opposition. On the other hand, we might be able to work out something, if the Senator would like.

Mr. EXON. I appreciate the attitude expressed by the chairman of the Budget Committee. I appreciate the remarks and the agreement made by the Senator from California.

What we are trying to do is give Senators on this side 2 or 3 minutes to explain amendments that will later be offered, and trying to use the time in that fashion. Hopefully we can cooperate.

Mr. DOMENICI. I wonder if the Senator might permit me. I will depend on the Senator from Nebraska totally. When she yields, if the Senator from Nebraska would use 10 minutes or so while I am off the floor, then I will come back.

Mr. EXON. I will be able to use that, or as much time that the Senator from New Mexico cares to be gone.

Mr. DOMENICI. I thank the Senator very much. I would like to use mine in opposition.

AMENDMENT NO. 1134

(Purpose: To strengthen the sense of the Congress that 90 percent of the benefits of any tax cuts must go to the middle class)

Mrs. BOXER. 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 California [Mrs. BOXER] proposes an amendment numbered 1134.

Mrs. BOXER. 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 89, strike line 1 through 17 and insert the following:

SEC. 306. PROHIBITION OF LEGISLATION THAT WOULD INCLUDE A TAX CUT UNLESS 90 PERCENT OF THE BENEFITS GO TO THE MIDDLE CLASS.

(a) FINDING.—The Congress finds that—

(1) the incomes of middle-class families have stagnated since the early 1980's, with family incomes growing more slowly between 1979 and 1989 than in any other business cycle since World War II; and

(2) according to the Department of the Treasury, in 1996, approximately 90 percent of American families will have incomes less than $100,000.

(b) POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, resolution, amendment, motion, or conference

report that contains a reduction in revenues unless at least 90 percent of the benefits of that reduction goes to working families with annual incomes less than $100,000.

(c) APPEALS.—Appeals in the Senate from decisions of the Chair relating to this section shall be limited to 1 hour, to be equally divided between and controlled by, the appellant and the manager of the bill or resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(d) CONGRESSIONAL BUDGET OFFICE REPORTS.—Whenever the Director of the Congressional Budget Office shall prepare a report pursuant to section 308 of the Congressional Budget Act of 1974 in connection with a bill, resolution, or conference report that contains a reduction in revenues, the Director shall so state in that report, and, to the extent practicable, shall include an estimate of the amount of the reduction in revenues and the percent of the benefits of that reduction in revenue that will go to working families with annual incomes less than $100,000.

(e) ESTIMATES.—Solely for the purposes of enforcement of this section on the Senate floor, the percentage of benefits of a reduction in revenues going to working families with annual incomes less than $100,000 shall be determined on the basis of estimates made by the Congressional Budget Office.

(f) SUNSET.—This section shall expire at the close of the 104th Congress.

Mrs. BOXER. Mr. President, I ask unanimous consent that I be able to speak for 6 minutes.

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

Mrs. BOXER. Mr. President, we are asking the question again with this Boxer amendment: ''Whose side are you on?'' And with many amendments that have come before this body which have all been revenue neutral which have not added 1 cent to the deficit, we have asked this question: ''Whose side are you on?''

I think that this Boxer amendment gives all of us a chance to answer that question one more time.

The amendment says that the only tax cuts that will be in order in this Congress will be tax cuts where 90 percent of the benefits go to those earning under $100,000 per year. Any other tax cut plan will be subjected to a 60-vote point of order.

So this is our opportunity to really take a stand with the middle class, not just in words but in actual votes.

Why is this amendment necessary? Simply because the Republican contract calls for tax cuts for the very wealthy, the very top 1, 2 percent of the people, and I would like to point this out, courtesy of Senator LAUTENBERG. We have some facts here.

The winners in the Republican budget clearly are wealthy. Nothing that has happened on this floor has changed it. Indeed, the amendments that we had, which would have helped this balance tilt back toward the middle class, have gone down in flames because of party-line votes.

So clearly the winners are the rich, $350,000 a year, and this Republican budget will give them a $20,000 tax break. That is what is hidden in the so-called reserve for tax cuts. That is what the House has already voted on.

We know that corporate subsidies are protected and tax loopholes are saved. As a matter of fact, when we tried even to end the one that goes to the billionaire Benedict Arnolds who leave the country to avoid taxes, we could not even get that one through.

I think another chart by the Democratic leader shown to us in this debate tells the story. Working families pay for GOP tax cuts for wealthy. Here is the family. Seniors pay $6,400 more due to the changes in Medicare. Working families pay $1,400 more because of the changes in the earned-income tax credit. Students pay $3,000 more over the lifetime of the loans because of the change in the cuts in student loans.

So that is who is paying for the tax cuts for the wealthy. Who? Those over $350,000 will get a $20,000 tax cut. That is in the contract, and that has been voted by the Republican House.

Now, will there be tax cuts? We hear the chairman of the Budget Committee saying there are not going to be tax cuts. ''I do not have them in there. It is going to be awhile.''

I say to my friends that there are going to be tax cuts. Look at what the majority leader says, Senator DOLE. ''We are going to have tax cuts.'' It does not say ''maybe.'' It says, ''We are going to have tax cuts.'' He said it on May 9. He said it on March 11. ''I am certain that Senate tax cuts will be as big in magnitude as the House,'' Senator DOLE.

Senator GRAMM:

> I don't think a budget without a tax cut can pass.

And we know that is true because Senator FEINGOLD just had an amendment that would have taken that little honeypot and put it toward deficit reduction, and it went down because Republicans voted against it.

So to UPI, Senator GRAMM said in March:

> Let me assure you that tax cuts are in order in the Republican Senate. I am for them. They are part of our Contract With America.

So that really shows you the facts. There is going to be a tax cut, and what this Senator from California is saying is, if there are going to be tax cuts, let us make sure they go to those earning under $100,000. I think it is very important.

Now, I want to say to my friends who are debating in their mind how they are going to vote that in the committee, every single Republican except one, Senator GRAMM, voted for the Boxer amendment that was a sense-of-the-Senate that said 90 percent of the tax cuts should go to those earning $100,000 or less.

I ask for 1 additional minute.

The PRESIDING OFFICER. The Senate will be in order.

Without objection, it is so ordered. The Senator has 1 additional minute.

Mrs. BOXER. Is that the remainder of my time?

The PRESIDING OFFICER. The Senator has used 5 minutes now. There were 6. She has two additional minutes.

Mrs. BOXER. I thank the Chair.

So every single Republican save one voted for the sense of the Senate. Now we are putting some teeth into that sense-of-the-Senate resolution. Now we are saying if the Republicans come up with a tax cut that benefits the rich, it will take 60 votes to allow that tax cut to move forward. This is a chance for my Republican friends to stand up and be counted for the middle class.

Now, in the course of this debate, Senator GREGG, Senator BROWN, and Senator DOMENICI referenced my sense-of-the-Senate resolution that passed and is part of the budget resolution. They said this Senate is on record; we believe that tax cuts should go to the middle class and the middle class only.

Well, now is where the rubber meets the road. They have a chance to cast their vote on the side of those earning $100,000 or less. They have a chance to say that those will be the only tax cuts that come before us.

I say to my colleagues, this is an opportunity to stand with the middle class, to stand with those hard-working Americans and to say to those who earn over $350,000, over $250,000: Listen, you are great Americans, but it is time for you to pay your fair share and it is time for others to get some of the breaks that you have received.

I think it is important to close with a quote from Kevin Phillips, a Republican, who said about this budget the following:

> Spending on Government programs for Medicare and education to home heating oil assistance is to be reduced in ways that hurt the poor and middle class, while simultaneously taxes are to be cut in ways that benefit the top 1 or 2 percent of Americans.

Kevin Phillips closes his remarks, and he says about this budget, with these tax cuts in it:

> It deserves to be rejected with outrage.

Those are his words, a Republican who has looked at this budget. I think that the Boxer amendment that clearly points out that a point of order will lie against any tax cut that does not benefit the middle class is one which we should all agree to and vote for in a bipartisan way. I thank the Chair.

I yield my time back to the Senator from Nebraska.

Mr. JOHNSTON. Mr. President, will the Senator yield to me?

Mrs. BOXER. I have yielded my time back to the Senator from Nebraska.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Nebraska.

Mr. EXON. We are now going to go forward in an orderly fashion. I yield 2 minutes to the Senator from Louisiana. Following the Senator from Louisiana, I had committed to yield 1 minute to the Senator from Maryland, 2 minutes to the other Senator from Maryland, 2 minutes to the Senator from New Mexico, 4 minutes to the Senator from Massachusetts, 2 minutes

to the Senator from Nevada, and then we will go to a main amendment of the Senator from North Dakota.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, the Johnston amendment takes the $170 billion fund which is reserved exclusively for tax cuts and permits such part of that as the Senate wishes to allocate to reduce the cuts in Medicare.

Under the Domenici proposal now before the Senate, there is $257 billion cut from Medicare in the amounts shown in each of these years. What I would do is authorize that the $170 billion be restored in the manner shown here so that net cuts in Medicare would amount to only one-third of those proposed by Senator DOMENICI. There would be no cuts at all in the first 2 years and a minimal cut in the third year, and overall there would be less than a third the cuts which are presently proposed.

Mr. President, this amendment places in stark contrast the fact that Medicare cuts are not required in order to balance the budget. At least two-thirds of those cuts are not required to balance the budget. Two-thirds of the Medicare cuts proposed by Senator DOMENICI and now backed by the Senate are required to lower taxes, and to lower taxes on the wealthy, not required to balance the budget.

Mr. President, this does not require that we spend the money to reduce Medicare cuts, but it authorizes that. And I will tell my colleagues that we have not the foggiest notion how we are going to achieve those Medicare cuts. We have not been told. We are told there might be a commission appointed. What I am saying is the Senate ought to have the freedom to decide whether or not, after this budget resolution passes, and after we make that $170 billion in savings, we ought to have the freedom to spend that $170 billion to reduce the impact of Medicare cuts on our senior citizens.

All the public opinion polls say 80 percent of the people of this country are opposed to these deep Medicare cuts. Now, why does the Senate want to lock itself into reducing Medicare by that much when all we have to do is give ourselves the freedom to take the tax cut for the wealthy and spend it to reduce the Medicare cuts?

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Maryland is recognized for 2 minutes.

RETIREMENT BENEFITS OF FEDERAL EMPLOYEES

Mr. SARBANES. Mr. President, the amendment which I will be sending to the desk at the proper time on behalf of myself, Senator MIKULSKI, Senator WARNER, Senator ROBB, and Senator BINGAMAN goes directly at a provision that is in the budget resolution which is going to change the calculation of retirement benefits for Federal employees from the employee's highest 3-year average to the highest 5-year average.

This I think is a breach of the contract with the Federal employees. I think it is clearly unfair to them. The amendment honoring our contract with Federal employees is paid for by closing the billionaires' tax loophole that allows very wealthy people to escape paying taxes by renouncing their American citizenship.

Mr. President, I regret that Federal employees are constantly being used as whipping boys in the course of these budget deliberations. Behind the phrase Federal worker are individual men and women who every day go in and try to do a dedicated job and render a service to the American people. They perform critical and important functions each and every day with a great deal of dedication and a great deal of devotion, and in my judgment they are entitled to be treated with dignity and respect.

Federal employees have already in the various deficit reduction programs made very significant sacrifices. We are talking about men and women who have worked hard in service to their country. They have earned their benefits, and the rules ought not to be changed on them as they are approaching retirement.

The existing provision, the 3-year provision, has been in effect for more than a quarter of a century. People have calculated their retirement and their ability to meet their financial obligations based on the current system, and we ought not to come along at the very end and change the rules on them, by shifting the basis on which their retirement is being calculated.

The truth is that Federal workers give dedicated service to their country and have earned their benefits. They made a choice to serve their country with an understanding of what that service entailed and what they could expect in return. To change the rules breaches the contract with these employees. This is an issue of fairness and I urge my colleagues to join me in support of this important amendment.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland [Ms. MIKULSKI], is recognized for 1 minute.

Ms. MIKULSKI. I thank the Chair.

Mr. President, I rise in strong support of the Sarbanes-Mikulski amendment which strikes the provision which cuts Federal employee retirement benefits. The proposed change in the budget resolution would reduce lifetime retirement benefits for Federal employees between 2 and 4 percent.

Now, that might not sound like that much, but for an average Federal worker, that could mean as much as a loss of $27,000 or more over a lifetime.

Mr. President, this is outrageous. We are changing the rules of the game on Federal employees in the middle of their career or near the end of their career. I have Federal employees in my State, 130,000 of them. They are the civilian work force that makes your Air Force One keep flying. They are the people at the National Institutes of Health that we just extolled the virtues of when we supported NIH.

We talked a great deal about a wonderful physician by the name of Dr. Rosenberg who has devoted his life to saving lives and curing cancer, and now this amendment will cut his Federal pension. It is both a reality and a metaphor for people who gave up careers that would have paid more in the private sector but wanted to serve their country and they thought they would have an adequate health insurance plan and a reasonable retirement plan.

So, Mr. President, I really ask the U.S. Senate to support the Sarbanes-Mikulski amendment to ensure that promises made are promises kept and that we can continue to attract the kind of quality work force for the Federal Government that we have had.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself 15 minutes in opposition to the Boxer amendment.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me suggest to my good friend if we would like to build a little bit of back and forth on this, I am more than willing. Otherwise, we will use the hour in opposition to the Boxer amendment. I would very much like to know where we are.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, if I could direct a question through you to the manager of the bill, to the chairman. The Senator was off the floor. There are a few of us here that have only a couple of minutes to explain what our amendments would be, and it would probably be that we will only have a couple minutes to maybe get these out of the way. Would that be possible?

Mr. DOMENICI. The way it is now, you have an hour, the rest of an hour, and I have an hour. I would like to be accommodating.

Mr. EXON. I simply say to my friend, we want to be accommodating, too. We know the situation we are in. I have three additional Senators which I had assigned time, of which Senator REID is one of them. There is 1 minute, 2 minutes, and 2 minutes. If we could accommodate those Senators who have been waiting—and I do not want to be unfair—for the next 5 minutes, at least we would take care of the first round of the attempts that this Senator is trying to make to accommodate a whole group of Senators on this side who want to speak.

Could we complete the first round, in line with the question from the Senator from Nevada?

Mr. DOMENICI. Mr. President, I yield the floor and reserve my 15 minutes until the Senator's wishes as expressed are completed. Then I will speak in opposition to the amendment.

The PRESIDING OFFICER. Who seeks recognition?

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 2 minutes.

CIVILIAN RESEARCH AND DEVELOPMENT

Mr. BINGAMAN. Mr. President, I wanted to speak just briefly on an amendment that I will be offering, along with Senators LIEBERMAN, ROCKEFELLER, BIDEN, HOLLINGS, BYRD, and KERRY from Massachusetts for a vote later on today.

The amendment attempts to restore some of the funds that are proposed to be eliminated in the civilian research and development accounts. This amendment is attempting to retain as much as we can of the U.S. science and technology enterprise which has brought such great results to our country and to the world.

This chart, I believe, sums it up very well. This shows what has happened to Federal civilian research and development as a percentage of gross domestic product from 1960 until the end of this century if we were to take the budget proposal that is now pending on the Senate floor. As you can see, under the proposed GOP budget, there will be an additional dramatic drop off in Federal support for civilian research and development. This includes the National Institutes of Health funding which we earlier had a vote on, but it also includes many other areas of funding that the Federal Government supports in the research and development area.

You can see the last year we had a balanced budget in this country, about 1968–1969, we were spending something in the range of 0.7 of our gross domestic product on civilian research and development. If this budget is adopted, we will be spending less than 0.3 percent, less than half of that. We will be spending substantially less as a country than our competitors in other parts of the world.

I believe our amendment is important. I know Senators LIEBERMAN and ROCKEFELLER intend to speak on it later, as well.

I have used my time and I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

RESTORING FUNDING TO NATIONAL PARKS

Mr. REID. Mr. President, our national parks are in a state of embarrassing disrepair. As an example, water systems in one of our busiest national park areas has been closed because of water not meeting minimal standards. In short, it is not safe to drink.

We will be closing visitor centers, closing roads and trails, closing public buildings, closing campgrounds; and law enforcement reductions will occur, to name but a few.

My amendment, which I will offer, will seek $1 billion from the proposed tax cuts and instead give the money to partially restore, renovate, and maintain our beautiful national heritage—that is our National Park System. And that will only partially do it, because there is a $2 billion backlog. I will apply the $1 billion toward this.

Mr. President, I rise today to propose an amendment to the 1996 Budget Reconciliation Act that over the next 7 years would restore $1 billion in funding to the National Park Service to alleviate its devastating maintenance backlog. These fund would be drawn from the $170 billion reserve fund. With my amendment the money can only be used for restoration, renovation, or maintenance of our national parks.

As Teddy Roosevelt, the man most responsible for the conservation movement involving our public lands once said and I quote, ''Surely our people do not understand even yet the rich heritage that is theirs. There can be nothing in the world more beautiful than the Yosemite, the groves of giant sequoias and redwoods, the canyon of Colorado, the canyon of Yellowstone, the tetons; and our people should see to it that they are preserved for their children and their children's children forever, with their majestic beauty all unmarred.'' These words spoken by Theodore Roosevelt in 1905 ring true today. But, the very government, this Congress, that has been given the responsibility to protect the crown jewels, better known as our national parks and recreation areas, is abdicating that trust.

That is why I have come to the floor today to highlight a matter of national concern. I am speaking of the outrageous and deplorable conditions of our national parks and recreation areas. The spending cuts proposed by this budget would reverse a longstanding trend of committed support by the citizens of this nation to the continued preservation and protection of its National Park System.

In today's environment of fiscal responsibility it is interesting that some in this body and the leadership in the House are calling for a tax cut for the wealthiest Americans. The tax breaks in the House-passed Contract With America tax bill will mostly benefit those families with incomes over $100,000, the top twelve percent of income distribution in this country. In essence these cuts are going to those who can afford to travel anywhere for vacation.

However, millions of less affluent Americans in 1994 traveled to one or more of our national parks for their vacations and in many instances found these facilities in some form of disrepair.

It defies common sense to think that Congress will approve a tax cut and then proceed to pass a budget that will decimate our national parks. In essence, funding for the National Park Service continues to be inadequate to meet public use needs. With this budget, the current maintenance backlog of over two billion dollars is simply going to grow and grow causing portions of the parks to become unavailable to the public.

Rehabilitation of park structures, roads, trails, and utility systems is critical to the health and safety of visitors as well as employees. With increased visitation to our national park system the proposed decrease in funding is going to limit the Park Service's ability to serve the public.

There are many examples of the terrible conditions that have befallen our national treasures. In my own State of Nevada, the Lake Mead National Recreation Area has an antiquated water treatment system. After State officials inspected the park's various water treatment facilities they notified the park service that because of surface water facility deficiencies, water supplied in areas of the park poses an acute risk to human health. The park then posted signs requesting visitors to boil their water before drinking. For a park that received 10 million visitors last year this is an outrage. As a result of the current budget proposals it may take as long as 10 years before this problem is corrected.

Here are some other examples that illustrate my concerns of what can be expected if this budget becomes an reality. At Independence National Historical Park there would be extensive building closures—total or partial closure of 11 of the 14 buildings open to the public resulting in elimination of 700,000 to 800,000 park visits.

At Yosemite National Park, operational oversight of concessions would be reduced. Campfire programs and visitor centers hours would be reduced and some visitor centers would simply close. Preventative maintenance on facilities would cease and cutbacks in snow removal would delay road openings over mountain passes. Additionally, campground seasons would be shortened and horse and backcountry patrols would be reduced. Also, visitor protection responses would be reactive only and limited to life threatening emergencies or criminal incidents involving threats to persons.

In Rocky Mountain National Park, the drastic reduction in seasonal park ranger staff would cut essential personnel available for search, rescue, law enforcement, and other emergency services. Three of five visitor information centers would be closed. Not to mention that the two remaining centers and all campgrounds would be open only from Memorial Day through Labor Day.

At Redwood National Park, all nondiscretionary funds would be eliminated forcing severe reduction of the temporary workforce, and operating supplies which would minimize maintenance on buildings, grounds, trails and roads due to lack of supplies and materials and shortage of personnel to complete the work.

Mount Rainer National Park would also suffer in this current and future budget cycle. The park would see its interpretive programs eliminated and

the inventory of endangered spotted owls and marbled murrilette would not be accomplished. This in turn would lead to the degradation of other natural resources such as fragile alpine meadows. Not to mention the scaling back of ranger patrols and reduced campground operating hours with reductions in maintenance and cleaning.

Mr. President, we must not stand by and allow our national parks to simply rot. While in the short-term this budget proposal would save money, it would, over the long run lead to irreversible consequences, and irrevocable damage to the nation's heritage and legacy. I want to reemphasize the point that all National Park Service sites, will be affected, including the representative symbols of our democracy. For example, the Statue of Liberty/Ellis Island, Washington Monument, Independence Hall, Jefferson Memorial, Mount Rushmore, Fort McHenry, and Martin Luther King, Jr. National Historical Site.

The impact of the current budget proposals in years one and two force the park service to curtail visiting hours at Independence National Historical Park and many buildings would be entirely closed. The Statue of Liberty would be closed at least 1 day a week. In years three through five the impacts are expected to be more extreme. For example, with staffing levels further reduced, extensive and prolonged park closures could occur. Many of the park services resources would be subjected to unacceptable levels of risk pertaining to loss through deterioration, theft, fire, and other factors.

Mr. President, let us reflect for a moment on the responsibility that has been delegated to the National Park Service. The Park Service is comprised of 368 park units covering more than 80 million acres in 49 States. The physical inventory alone consists of 15,000 buildings, 5,200 housing units, 1,400 bridges, 8,000 miles of roads, 125 sewage treatment plants, and 1,300 water systems.

Simply put, the insufficient funding levels proposed by this bill, in addition to new facilities and requirements associated with the addition of 12 new parks since 1991, will cause the Park Service to continue to fall behind in maintaining these structures, thereby contributing to a mounting backlog of deficiencies. The net result will be increased costs in the future and the subsequent loss of some irreplaceable and irretrievable resources.

Let me reemphasize the point that the effect of this action would result in outcomes immediately visible to the public, such as, deferred maintenance, closures of campgrounds, and closures of visitor facilities. We must and can find other savings offsets in our quest to reduce the Federal deficit. These parks are one of the great legacy's which we will leave our children. Lets not leave them underdeveloped and rundown.

In closing, Mr. President, I would like to leave you more sound advice from Theodore Roosevelt:

> To waste, to destroy, our natural resources, to skin and exhaust the land instead of using it so as to increase its usefulness, will result in undermining in the days of our children the very prosperity which we ought by right to hand down to them amplified and developed.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 4 minutes.

PRESIDENTIAL CAMPAIGN FINANCE SYSTEM

Mr. KERRY. Mr. President, I call up an amendment at the desk on behalf of myself, Senators SIMON, FORD, FEINGOLD, BRADLEY, BIDEN, and WELLSTONE.

I ask unanimous consent that several letters and editorials supporting the existing campaign finance law be printed in the RECORD.

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

STATEMENTS IN SUPPORT OF PRESIDENTIAL CAMPAIGN FINANCE SYSTEM

The bipartisan Commission on National Elections, headed by Melvin Laird, Secretary of Defense in the Nixon Administration, and Robert Strauss, former chair of the Democratic National Committee, recognized the value and success of the presidential campaign finance system. The Commission concluded: "Public financing of presidential elections has clearly proven its worth in opening up the process, reducing undue influence of individuals and groups, and virtually ending corruption in presidential election finance. This major reform of the 1970s should be continued."

Former Senator Paul Laxalt (R-NV), who chaired the 1976, 1980 and 1984 presidential campaigns for President Reagan, also praised the presidential campaign finance system. In discussing the campaign finance problems in Congress, Senator Laxalt said, "The problem is so bad we ought to start thinking about federal financing" of House and Senate campaigns. "It was anathema to me * * * but in my experience with the [Reagan] presidential campaigns, it worked, and it was like a breath of fresh air."

The New York Times calls the presidential campaign finance system "the best existing counterweight to the dominance of check-writing special interests in national politics. * * * This public financing has worked remarkably well to minimize the financial advantage of the party in power and reduce candidates' dependence on wealthy favor-seekers."

The Washington Post says the presidential campaign finance system is "hugely important to efforts aimed at limiting the impact of campaign fund-raising on the presidency." It notes that the system "has actually worked."

According to The Wall Street Journal's columnist Gerald F. Seib, "Whatever else may be said about presidential campaigns of the last two decades, they have been largely free of charges of serious financial corruption. And the elections themselves have been fair and competitive. * * * [T]his is one part of the system that doesn't seem broke."

Seib wrote of the effort to repeal the presidential campaign finance system, "And ultimately, this change would undercut what is supposed to be the GOP's very purpose, which is to balance the budget. The budget is hardly going to be balanced with the minuscule savings achieved by eliminating the presidential campaign fund. * * * It is going to be balanced by getting the snouts of special interests out of the public trough. But special interest snouts won't be kept out after they are invited deeper into American political campaigns."

[From the Atlanta Constitution, May 22, 1995]

PRESIDENCY TO HIGHEST BIDDER?

Tucked away in the 90-page deficit-reduction blueprint of Senate budget Chairman Peter Domenici (R-N.M.) are two lines that would make only a slight dent in federal expenses—less than $50 million a year—but could drastically and perniciously alter the way America picks its presidents.

The two lines call for the termination, starting in the year 2000, of the presidential campaign fund, which is financed by taxpayers' check-offs on their income tax returns and then made available every four years to qualifying candidates for president during both primary and general election campaigns.

So what's So wrong with this particular program elimination? Plenty.

Public financing of bids for the White House was a reform born in the aftermath of the Watergate scandal. Its whole purpose was to avoid a repeat of the corrupting excesses of the 1972 Nixon campaign, which amassed millions of dollars more than it knew what to do with, legally.

Considering the climate of cynicism about politics these days, the justification for public campaign financing may sound hopelessly idealistic, but it is fundamentally sound: The presidency ought not be up for auction. No contestant for the office ought to have a wildly disproportionate funding advantage. Serious candidates ought to have enough money to get their messages across throughout the country without becoming beholden to powerful individual donors or interest groups.

The budget resolution may have Domenici's name on it, but the fingerprints of Sen. Mitch McConnell (R-Ky.) are all over the two lines in question. He is an unabashed opponent of public financing and delights in misrepresenting it as "food stamps for politicians." He believes that since the Republicans, who currently are taking a king's ransom in special-interest contributions, are in a position to kill public financing, they should go for it. So there.

Senate Majority Leader Bob Dole is hardly less enthusiastic about sinking the program—for the campaign in 2000, that is. Whatever principles he may have on the matter don't apply to his immediate situation. He'll happily accept whatever millions be qualified for to pay for his 1996 candidacy.

Democrats, who blew their change to reform campaign financing rules for Congress in the last session, promise to do what they can to save the presidential campaign system, but they don't appear to have the numbers. A veto may be the only recourse, and since the regression the McConnell champions is so profound, President Clinton should be readying one.

Public financing, it must be conceded, is not a widely popular notion. Only about 15 percent of taxpayers dedicate $3 each of their taxes for the presidential campaign fund. What that shows is that too few Americans have considered the alternative—that absent public financing, our country may get the best president that money with strings attached ban buy.

America should strive to do better.

[From the Kennebec Journal, May 18, 1995]

MONEY, MONEY, AND MORE MONEY

As congressional Republicans work to dismantle the one significant campaign finance reform measure of our time—public funding of presidential races—the influence of private money upon the making of public policy continues to be a national disgrace.

According to former Senate Majority Leader George Mitchell, who fought hard if unsuccessfully to reform the system, big money contributions may not actually buy votes but they do buy access to members of Congress.

''I think it obviously creates the appearance of conflict and casts doubt on the independence of judgment,'' says Mitchell in a new book on the subject produced by the Center for Responsive Politics. ''I think it reduces respect for the institution and the product of its work.''

However, it is far more than simply a public relations problem. Big money is a corrupting influence in fact as well as in appearance, even if it only gives the contributor readier access to a member of Congress than competitors or ordinary citizens may enjoy.

It is no doubt true, as Mitchell asserts, that most special interest groups contribute to politicians who share their views rather than attempt to sway those who do not. Even so, the big contribution in that case is used to bind goodwill and ensure a sense of mutual loyalty.

Clearly the giving of money in large amounts to political candidates is viewed by donors as more than simply a friendly, civic-minded gesture. And it can be used as a stick as much as a carrot.

Think back a year or so when a Maine labor leader threatened to cut off campaign contributions to then-1st District Rep. Thomas Andrews if he failed to vote against the North American Free Trade Agreement. Call it a form of reverse bribery. Andrews ultimately voted against NAFTA, but swore off labor PAC contributions. It proved costly; he unexpectedly ended up running for Mitchell's Senate seat and raised far less money than his opponent, Sen. Olympia Snowe.

Most candidates prudently avoid such grand gestures, and, as the cost of election campaigns continues to escalate, so does the candidate's dependence upon special interest money. Last year, 35 to 40 percent of the campaign funding for winners in U.S. Senate and House races came from political action committees. Overall spending in Senate races was up a whopping 20 percent.

The system cries out for reform, not retrenchment. For years, the Republican minority in Congress has insisted it favors effective reform while rejecting virtually every Democratic proposal to cut the flow of cash from special interests to policy makers. Now that the GOP is in control, we know what it meant by reform: lowering the flood gates.

[From the Boston Globe, May 17, 1995]

WHAT ABOUT THE FAIRNESS DEFICIT?

The changes being pushed by Republican budget makers are so grave they understandably dominate public attention, but they are crowding out some senseless proposals that also deserve the spotlight.

A prime example is the Senate Budget Committee proposal to eliminate the Presidential Campaign Fund after the 1996 election.

Created post-Watergate, the fund is the single greatest political reform of modern US history. It took the ''For Sale'' sign off the White House, moving moneyed special interests out of the driver's seat and into the spectator stands with the rest of us. Candidates have been funded in the primaries by small individual givers and by federal matching funds, and in the general election by the presidential fund alone. Bill Clinton and George Bush each received $55 million in 1992.

It has worked. The benefits of the fund have been watered down in recent years by rulings allowing the parties to collect huge sums of ''soft money'' contributions that support campaigns indirectly. The Federal Elections Commission needs to close this gaping loophole. But far from eliminating the fund, it should be expanded to include candidates for Congress so the nation's legislators would not have to continue selling themselves to special interests to raise the requisite thousands of dollars a day. The only other problem with the system—uncertain cash flow—was addressed this year when the voluntary tax checkoff to finance it was raised from $1 to $3.

Politicians can debate the exact message from voters last November, but the people surely wanted cleaner government, not corruption.

The Budget Committee chairman, Sen. Pete Domenici, characterized his proposal as ''doing something right for the future of our country and for our children.'' He was speaking of deficit reduction, though eliminating the campaign fund would save only $45 million. In attempting to restore balance to the budget, Domenici's proposal could return venality to the Oval Office.

[From The Buffalo News, May 15, 1995]

KEEP PRESIDENTIAL CHECKOFF—ENDING IT WOULD STRENGTHEN SPECIAL INTERESTS

Hidden among proposals that have aroused loud immediate objections is an ominous Senate Budget Committee plan. It would shift the presidential selection process away from average Americans and place it even more in the hands of big-money special interests.

That's what will happen if Congress wipes out the two-decade-old system that allows for partial public funding of presidential elections by having taxpayers check a box on their income tax returns.

Approving the checkoff—currently $3—has absolutely no impact on the size of a taxpayer's refund or the amount of taxes owed. When taxpayers check the box, as all should, it simply means that the contributions will be used to help finance the presidential selection process.

That is one of the best investments taxpayers can make in good government. It means candidates will be more beholden to average Americans and less beholden to special-interest groups for their money. In fact, this Watergate-era reform, first employed in the 1976 campaign when Jimmy Carter challenged President Gerald Ford, is the antidote to the poison of special-interest funding that has left candidates with a taint and the public with a bad taste in its mouth.

Before allowing Congress to end this reform, the public should ask a simple question: Without this public funding, where else will candidates turn for money?

The $45 million per year raised through the checkooff is a minuscule amount in a $1.5 trillion budget. Yet, while limiting the impact of lobbyists, it also puts sensible limits on campaign spending and levels the playing field among candidates. That helps elevate ideas over fund-raising ability as the determining factor in campaigns.

Senate Republicans are hypocritical and less than forthright in trying to end all of that by slipping this provision through amid the turmoil surrounding the rest of their budget proposals.

The hypocrisy can be seen in the fact that the proposal would end the checkoff system after the 1996 election cycle. That would mean current GOP senators eyeing the White House—among them, Majority Leader Bob Dole and Texan Phil Gramm—would still benefit next year.

But the real benefit of the checkoff goes to the public. That's why, if a revision this significant is to be examined, it should be done separately so that the proposal can be judged on its own merits.

Once that happens, and Americans really understand what's at stake, it is unlikely that they will choose to forsake a system of such demonstrated worth. Over two decades, the checkoff system has shrunk the influence of big-money interests, helped clean up the process of choosing American presidents and returned that process closer to the American people.

[From the New York Times, May 16, 1995]

A SNEAKY BLOW AT CAMPAIGN FINANCE

Senate Republicans are proposing to eliminate the best existing counterweight to the dominance of check-writing special interests in national politics. The budget blueprint unveiled last week by Pete Domenici, chairman of the Senate Budget Committee, includes a call to abolish the public campaign financing system for Presidential candidates.

This 20-year-old system provides matching funds for candidates during the primaries and, for the general election, identical grants to both major party candidates. The system is financed by allowing taxpayers to indicate on their income tax returns whether they want $3 of the tax they owe to be used for the campaign fund. This public financing has worked remarkably well to minimize the financial advantage of the party in power and reduce candidates' dependence on wealthy favor-seekers.

The proposal to end public financing is the brainchild of Senator Mitch McConnell of Kentucky, who also played a big role last year in killing a Democratic reform measure that would have repaired damaging loopholes in the Presidential system while reducing the influence of big money in Congressional races as well.

Under the G.O.P. budget proposal, the Presidential public financing system would not end until after the 1996 election. That would allow the Republicans to continue using public financing in their quest to drive out the incumbent Democratic President, but then block public financing after they hope to have recaptured the White House.

Abolishing public financing for Presidential campaigns would save only about $45 million a year, while destroying a worthwhile effort to curb the amount of special-interest money in national politics. House and Senate Republicans also want to impose a crippling funding cut on the Federal Election Commission, the agency charged with enforcing campaign finance laws. It begins to look like a G.O.P. war on cleaner politics.

[From the Philadelphia Inquirer, May 17, 1995]

WRONG-WAY PETE—DOMENICI BUGLES RETREAT ON CAMPAIGN FINANCING.

''Declare victory and retreat.'' That was the tart suggestion of a senator years ago on how to salvage the fiasco that was Vietnam.

Now, another senator, Senate Budget Committee Chairman Pete Domenici of New Mexico, has got it into his head to declare defeat and propose retreat in an area where there's actually been a major victory: public financing of presidential campaigns.

This post-Watergate reform has insulted presidential campaigns from the corrupting influence of special-interest money. For some strange reason, the budget proposal

made by Mr. Domenici last week would end it.

Of all the Republican ideas for balancing the budget, this may be the worst. By giving special interests carte blanche to start subsidizing presidential candidates again, Mr. Domenici would drop White House wannabes back into the pigsty of special-interest financing where Congress still wallows.

Not only is the system that pays for presidential races not broken, it works quite well. If you want to put $3 of your tax bill toward presidential campaigns, you check that option. If you feel that public financing is sinister or socialistic, you don't.

In the primary season, the system's matching money helps underdogs get their ideas across to the voters. In the general election, it helps ensure a fair battle.

The elimination of public financing may be just a sop to Sen. Mitch McConnell (R., Ky.), the Senate's leading obstructionist on campaign-financing reform; maybe Senate leaders will quietly drop the idea later on.

Instead of scrapping the checkoff, Republicans ought to be acting to get special-interest money out of congressional campaigns. Of course, their reforming zeal might be muted because the majority of that money is now flowing to them.

It's sad to see the Senate even toying with this ill-advised retreat on campaign financing. And it is a discredit to Mr. Domenici's otherwise bold budget-balancing plan.

[From the Rutland Herald & the Times Argus, May 21, 1995]

GOP AND CAMPAIGN FINANCE

Over the next few weeks almost every budget cut that the Republicans in Congress have proposed will be opposed by some special interest group or other. But there is one intended cut that would harm the very fabric of our democratic process—by changing the way we elect our presidents.

The GOP Senate budget resolution would abolish the presidential campaign financing system, beginning in 1996. Eliminating public financing of presidential campaigns would save from $100 million and $300 million by 2002, the date the Republicans have targeted for balancing the federal budget.

The GOP wants to abolish the public campaign finance law to help provide about $350 billion in tax cuts that would benefit many of their favorite corporate benefactors. It's not hard to imagine the generosity of such companies when it comes time to replenish the campaign coffers of worthy Republicans.

Why do we use tax dollars to fund presidential campaigns? The practice began in 1974, after Watergate, which showed the nation how dramatically money can change the political equation. Since the cost of national campaigns has risen so drastically, politicians find they must budget a larger and larger share of their time to fund-raising—and currying favor with potential contributors.

Shouldn't private financing of elections benefit Democrats as well as Republicans? In the past, many wealthy contributors realized that since Democrats controlled Congress, any Democratic candidate might become a powerful committee chairman. So the moneyed interests have traditionally covered their bases by contributing to both candidates in many elections.

But now that the Republicans control both houses of Congress, a fundraising gap favorable to the GOP is likely to grow even wider, as the party of big business calls in its chips for the constituent service it's currently performing. The Republicans already have claimed an edge in fund-raising for 1996 campaigns.

The Republicans may be able to brush aside the few limits that now exist on campaign spending. And the Democrats have only themselves to blame for not passing more comprehensive campaign finance reform while they had control of Congress. If the GOP gets its way, the Democrats will be sorely punished for their own complacency.

[From the San Francisco Chronicle, May 17, 1995]

UNREFORMING CAMPAIGN FINANCE

When the Republicans took over Congress, they vowed to clean up Washington and give government back to the people. So what are they doing with this hypocritical proposal in the Senate budget plan to eliminate the presidential campaign-finance tax checkoff?

The Watergate-inspired public-campaign-financing law has somewhat limited the corrupting influence of special interests on presidential elections by providing each candidate in the general election with around $60 million in voluntarily contributed tax dollars, about the same amount Richard Nixon spent in 1970. The use of public funds, under a landmark Supreme Court ruling, allows an overall spending cap to be imposed. Without it, a run for the presidency would cost an estimated $200 million.

When campaigns cost $200 million we all lose, because special interests will be free to flood the presidential election process with money. The fragile integrity of the democratic process will be the first victim.

Instead of reversing public financing, the Republicans should join with Democrats in finding ways to bring equally effective reform to congressional elections.

[From The Washington Post, May 11, 1995]

A BAD IDEA, WELL-HIDDEN

Tucked away in the middle of Senate Budget Chairman Pete Domenici's 97-page budget blueprint are two lines describing a proposal with a minuscule impact on federal spending but enormous meaning for the nation's political process. Mr. Domenici, following a suggestion by Sen. Mitch McConnell (R–Ky.), proposes the elimination of public financing for presidential campaigns after the 1996 election.

This is not only a terrible idea; it also has no place in the budget debate. A change this large in the electoral system should be debated on its own, independent of the great confrontation that is about to occur on the deficit. The amount of money involved is trivial in a budgetary sense—roughly $45 million a year in a $1.5 trillion budget—but hugely important to efforts aimed at limiting the impact of campaign fund-raising on the presidency.

Public financing of presidential campaigns has actually worked. It was instituted after the Watergate scandal revealed all sorts of unsavory fund-raising shenanigans in the 1972 campaign. The idea is simple: The presidency ought not be put up for bid, the major party candidates ought to compete on a level playing field, and the party in power should not enjoy a prohibitive financial advantage. Existing law provides for a Presidential Election Campaign Fund that is financed through a voluntary $1 checkoff on income tax returns. For the general election, each major-party candidate draws the same amount from the fund—George Bush and Bill Clinton got $55.2 million each in 1992. The law also includes provisions for future public financing for any third party that makes a substantial electoral showing (as did the independent movements of John Anderson in 1980 and Ross Perot in 1992). And it provides for a system of matching funds in the primaries, whereby candidates who raise a certain amount in private contributions qualify for a share of the federal funds. The formula puts a premium on smaller contributions, so candidates who are serious but without huge interest group backing have a chance to make their case.

There are problems with the system that need to be addressed. The campaign fund has been running low, and the checkoff amount needs to be increased. But at a time when Congress's emphasis should be on finding ways to reduce the impact of money on politics, this proposal moves in entirely the wrong direction. It is also interesting that the budget proposal would leave the current system in place long enough to allow Republican presidential candidates (such as Sens. Dole, Gramm, Specter and Lugar) to take advantage of it while the GOP is out of the White House, and only abolish it after the next election.

If Mr. McConnell wants an open debate on the merits of the public financing system, he can encourage one. But a change this large should not happen covertly as part of the budget process.

[From the Valley News, May 17, 1995]

CASH FOR CAMPAIGNS

Hold your tears for those Republicans who complain that special-interest groups are preparing to lay waste to the balanced-budget proposals they're now championing. If special-interest groups exercise undue influence over the federal government, why are Republicans proposing that their influence be expanded?

That is exactly what would happen if the budget plan proposed last week by Sen. Pete Domenici, R–N.M., is passed intact. It contains a provision that calls for elimination of public financing of presidential campaigns. That item would save the federal government $45 million a year but would exact a much greater cost in the damage it would do to the national political system.

Few would argue that presidential politics are squeaky clean. But they are far better than they were before the Watergate scandal prompted Congress to reform the system.

Presidential candidates still must raise bucketfuls of money to be considered serious contenders. But the prospect of matching federal contributions encourages primary candidates to concentrate their fund-raising on contributions that qualify them for federal funds—relatively small donations from individuals. During the primary season, candidates who accept public financing agree to abide by spending limits established for each state. In the general election, each major party nominee draws an equal amount from the campaign fund (the 1992 candidates each received $55.2 million)—placing them on equal footing and reducing the need for candidates to go hat in hand to potential contributors.

Problems remain. Both parties continue to abuse so-called soft-money contributions, donations that are made to parties and spent for generic campaign purposes rather than directly for candidates. But the system is far better than the one that existed before 1973, when candidates accepted lots of cash from deep-pocketed donors, many with a direct interest in federal policy.

If public financing is abolished, the corrupting cancer that has severely undermined the integrity of Congress will spread to the White House and similarly compromise its integrity. All those things we have come to know and detest about the influence of money on federal legislators will afflict the White House—political action committees, nonstop fund-raising, the amassing of campaign war chests.

Few Americans are enthusiastic about proposals to pay for campaigns with taxpayers' money. The notion of bankrolling some of the behavior that passes for campaigning

these days is enough to make the most earnest goo-goo blanch. But it is strictly a defensive strategy: The public picks up the tab to ensure that no one else does—and that no one lays a greater claim on the loyalty of the people elected to conduct the public's business. Public campaign financing needs to be expanded, not rolled back.

MAY 23, 1995.

DEAR SENATOR ——— ———:

We strongly oppose the Senate Budget Committee's 1996 budget recommendation to abolish the presidential campaign finance system. We urge you to reject the Budget Committee's proposal and vote to retain this fundamental Watergate reform.

The presidential public financing system is an essential mechanism for controlling campaign spending, restricting special-interest influence and allowing challengers to compete successfully with incumbents.

To repeal presidential public financing would be to dismantle a vital reform that goes to the heart of the integrity of the electoral system for our country's highest office. Such an action would further undermine already low public confidence in government and the political process.

We strongly urge you to vote against any effort to abolish the presidential public financing system.

Sincerely,

Ann McBride, President, Common Cause; Becky Cain, President, League of Women Voters of the United States; Joan Claybrook, President, Public Citizen; Richard Foltin, Legislative Director and Counsel, American Jewish Committee; Larry Hobart, Executive Director, American Public Power Association; Paul Mauer, Executive Director, Blue Grass Community Action Agency; Michael F. Jacobson, Executive Director, Center for Science in the Public Interest; Stephen Brobeck, Executive Director, Consumer Federation of America; Dixie Horning, Executive Director, Gray Panthers; Leland Swenson, President, National Farmers Union; John Adams, Executive Director, Natural Resources Defense Council; Karen L. Hicks, Executive Director, New Hampshire Citizen Action; Caswell A. Evans, Jr., President, American Public Health Association; Amy Isaacs, National Director, Americans for Democratic Action; Robert C. Porter, Executive Director, Cenla Community Action Committee, Inc.; Rodney E. Leonard, Executive Director, Community Nutrition Institute; Joe Volk, Executive Secretary, Friends Committee on National Legislation; Susan Katz, President, National Council of Jewish Women; Harriet Woods, President, National Women's Political Caucus; Kathy Thornton, RSM, National Coordinator, NETWORK: A National Catholic Social Justice Lobby; Jay Lintner, Director, Washington Office, Office for Church in Society, United Church of Christ; Gerald Meral, Executive Director, Planning and Conservation League; Rabbi David Saperstein, Director, Religious Action Center of Reform, Judaism, Union of American Hebrew Congregations; Gene Karpinski, Executive Director, U.S. Public Interest Research Group; Rev. Elenora Giddings Ivory, Director, Washington Office, Presbyterian Church (U.S.A.), Washington Office; Robert Z. Alpern, Director, Washington Office, Unitarian Universalist Association of Congregations.

[Common Cause, May 23, 1995]

STATEMENT OF FORMER WATERGATE SPECIAL PROSECUTOR ARCHIBALD COX

I call upon Congress to reject the tricky attempt to repeal the post-Watergate reform of our presidential election campaigns under the pretense of budget balancing. Maintaining the reform costs .003 percent of the budget.

Watergate dramatized the three-step relationship between large political contributions, the outcome of elections, and the governmental decisions of those who win. We should never forget the acceptance of a $2-million pledge from the Milk Producers Association to the Nixon Administration, which concurrently granted an increase in the support price of milk; the approval of American Airlines' route applications shortly after a large corporate contribution to the party in power; or the settlement of antitrust litigation against ITT Corporation, shortly after an ITT subsidiary agreed to underwrite a large proportion of the cost of the Republican National Convention.

Spurred by this corruption, Congress in 1974 enacted the presidential campaign finance system as a vital means to restore public confidence in government. Through this system, small individual contributions are matched by public funds in the primary elections. The major party candidates receive a grant of public funds with which to conduct their general election campaigns. Importantly, spending limits are imposed in both the primary and general elections.

The system has worked. Presidential elections were largely cleansed of the corrupting influence of special-interest money. Spending in presidential campaigns was brought under control. Candidates in the general election were freed from the burdens of fundraising. And presidential elections, unlike congressional campaigns, became more competitive. Exploitation of a soft money loophole has reduced the gains. But the system is fundamentally sound. The remedy is to close the soft money loophole.

We are told that political candidates should not campaign with taxpayers' money. The money goes to protect ourselves by keeping the system honest. The alternative is for candidates to campaign with special-interest money to be repaid with much larger government favors after the election—in short, to go back to the days of Watergate.

I urge the Congress not to repeal the centerpiece of the Watergate reforms. The presidential campaign finance system must be preserved.

[Common Cause, May 23, 1995]

STATEMENT OF COMMON CAUSE PRESIDENT ANN MCBRIDE

We are very pleased to join today with Senators John Kerry (D–MA) and Bill Bradley (D–NJ), and with the League of Women Voters and Public Citizen, to launch an all-out effort to preserve the presidential campaign finance system.

Today we face a deadly serious attempt in the Senate to destroy the most important political reform in nearly a century.

By burying a simple two-line provision to kill the presidential campaign finance system deep in their proposed budget, the Senate Republican leadership has conducted a stealth attack on our democracy—an attack that would turn back the clock two decades to the dark days of Watergate and its influence money scandals, a time when the integrity of the Presidency hit rock bottom.

The stakes in the outcome are enormous. If this attack were to prevail, the winners would be Washington lobbyists and monied special interests. The losers would be the average taxpayers.

That's why Common Cause urges Congress to eliminate this provision from the Senate budget proposal and to act to save the presidential campaign finance system.

A vote to kill the presidential campaign finance system is a vote for corruption and a return to the campaign finance scandals of Watergate.

The responsibility to save the presidential campaign finance system lies not only with Congress, but with President Clinton as well.

If President Clinton is serious about preserving the presidential campaign finance system, he must make clear that he will veto any legislation that includes a provision to repeal the system.

Killing the presidential campaign finance system would do more than eliminate the public funds available to presidential candidates. Killing the presidential campaign finance system completely repeals campaign spending limits in presidential races. The result would be a campaign fundraising—and campaign spending—free-for-all, and a ''For Sale'' sign back on the White House.

The public financing system has worked. Spending has been limited. Richard Nixon's 1972 reelection campaign raised and spent $60 million—the equivalent of more than $200 million today. That's less than both major party candidates combined spent in the 1992 campaigns.

Elections have been competitive. Under this system, four incumbents have sought reelection—three challengers have won. And special-interest contributions have been replaced by dollars designated by millions of taxpayers.

As The Washington Post has noted, ''Public financing of presidential campaigns has actually worked. . . . The idea is simple: The presidency ought not be put up for bid, the major party candidates ought to compete on a level playing field, and the party in power should not enjoy a prohibitive financial advantage.''

Instead of destroying a system that has worked, and worked well, for two decades, the Senate should instead be shutting down the soft money system that has emerged in recent years.

This issue is not a budget issue. The presidential public financing system is not a simple piece of a budget puzzle that can be turned off and on at will. In fact, from a federal budgetary perspective, the $45-million program is a small amount. Fiscal responsibility comes from a Congress that will stop the financial drain that special interests impose on the federal budget through access-seeking campaign contributions. Ending the presidential campaign finance system simply will open the budget to even more big-money investments from special interests.

This issue should not be a partisan issue. The presidential public financing system was passed with bipartisan support and signed into law by President Gerald Ford. All but one major party candidate have voluntarily chosen to use public funds to wage their campaigns. In the five presidential races conducted under this new system, the Republican candidate has won three times, the Democrat twice.

This issue is a matter of integrity.

More than 20 years ago, Common Cause members pressed their Members of Congress to create a campaign finance system that would restore the integrity of a presidency that had been devastated by the scandals of Watergate. Congress did.

Today, Common Cause, along with a broad coalition of other organizations, is launching a nationwide campaign to protect the presidential campaign finance system.

Common Cause members and other concerned citizens will work just as tirelessly now to ensure that the presidential campaign finance system is not destroyed.

Mr. KERRY. Mr. President, there is in this budget an unfortunate effort to try to take away the current system of a——

The PRESIDING OFFICER. The Senator will suspend, while I ask the clerk to report the amendment.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KERRY] proposes an amendment numbered 1135.

The PRESIDING OFFICER. Is there objection to consideration of the amendment at this time?

Mr. EXON. The Senator was not recognized to offer an amendment. I want to make that clear to the Senator. You can reserve the right to offer an amendment.

Mr. KERRY. I ask unanimous consent——

Mr. EXON. Have you done that?

Mr. KERRY. I did ask unanimous consent.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Reserving the right to object.

Mr. EXON. I object.

The Senator from Nebraska yielded to the Senator from Massachusetts with certain instructions and understandings that the Senator from Nebraska is going to insist upon. Therefore, I yielded to the Senator from Massachusetts not to offer an amendment, but to make such remarks as he sees fit.

Mr. KERRY. Mr. President, I certainly apologize. I had no idea. I thought the procedure was to call the amendment up. There was no intention to try to go outside of the Senator's desires.

I ask unanimous consent that the past exchange not come out of this Senator's time.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for 4 minutes.

Mr. KERRY. I thank the Chair, and I thank the distinguished managers.

Mr. President, there is in this budget resolution an effort to do away with the Presidential checkoff finance system. I would like to share with my colleagues what Archibald Cox, the Watergate prosecutor, said with respect to this particular effort.

Watergate dramatized the three-step relationship between large political contributions, the outcome of elections, and the governmental decisions of those who win. We should never forget the acceptance of a $2 million pledge from the Milk Producers Association to the Nixon administration which concurrently granted an increase in the support price of milk; the approval of American Airlines' route application shortly after a large corporate contribution to the party in power; or the settlement of antitrust litigation against ITT Corp. shortly after an ITT subsidiary agreed to underwrite a large portion of the cost of the Republican National Convention.

Mr. President, this campaign system has worked. Some 63 primary candidates since 1976 have used the checkoff fund. The checkoff fund democratizes the Presidential races of this country. It distances Presidential candidates from the fundraising process. It liberates our entire system from the influence of big money, as Watergate prosecutor Archibald Cox said.

In 1972, when Richard Nixon ran for President, he spent $60 million in that race, the equivalent of $200 million today. That is more than President Bush and Bill Clinton spent together in 1992. If this amendment were to fail, if we proceed on the assumption that that campaign system will be taken away, all voluntary limits on campaign spending in Presidential races are gone. No voluntary limit will remain, and it is only that volunteerism in the system that keeps accord with the Constitution on Buckley versus Valeo that allows us to have a limit in Presidential races.

So we will have gone back to the system of 1972 when there was unlimited funding from sources in Presidential races. I cannot imagine anything that runs more contrary to the vote of 1994 and to the grassroots statement of Americans in the 1994 election. They do not want this country going back to big money, large corporate interests. They want people liberated to participate. In fact, Mr. President, more people participate through the checkoff than contribute voluntarily to campaigns in this country. One out of seven Americans participate in the checkoff, whereas only one in 22 Americans contributed to campaigns in 1994. The checkoff could, in fact, be stronger than it is today. But, everybody should understand, no American is coerced to do this. It is a voluntary system where $3 from an individual has as much impact as tens of thousands of dollars from the rich or from corporate interests.

Mr. President, it would be an enormous setback in our efforts to gain control of our political process if, now, we choose to go backward.

Some people say, ''Well, we're not controlling all the money in the system; you still have soft money and we should be closing that loophole.'' The solution is not to take the hard money restriction in the voluntary system and make it like soft money. The solution is to make the soft money like the hard money or outlaw it altogether, Mr. President.

So it is my hope that colleagues who have supported this in the past will not now go counter to the very grassroots effort that is supposedly being represented on the floor. This system has worked. It costs $45 million on the year, Mr. President, but to lose it would be tens of millions of dollars in campaign contributions. I hope we will support the system.

Mr. FORD. Mr. President, the budget resolution includes a provision that will have a far reaching consequence for this Nation. It assumes elimination of the program that provides for spending limits and public funding in Presidential election campaigns. This provision was enacted with bipartisan support to address the campaign finance abuses of Watergate.

This is voluntary program. The American taxpayer voluntarily funds it and candidates voluntarily accept funds from it. It is the only Federal program that the American public directly votes to fund each year. And as long as the American taxpayer votes for campaign spending limits, then we should not eliminate it.

What is interesting to this Senator, is that the Republican budget resolution does not affect the 1996 Presidential election cycle. It would allow candidates to continue to take taxpayer money to fund their primary campaigns next year. That means up to approximately $15 million in taxpayer dollars to each Republican and Democratic primary candidate, with a potential $62 million more to the nominee in the general election.

Perhaps a different amendment would have been to eliminate this program immediately. That would give our distinguished Republican colleagues here in the Senate who have announced their candidacy for President an opportunity to vote to give back their potential $77 million in taxpayer funds to the Treasury and the American taxpayer in order to help eliminate the deficit. Let me respectfully suggest that it seems a little self-serving to take the money next year but deny it to future candidates.

American taxpayers support this program and vote on how much to fund it each year. It is the only Federal program which serves to limit the money chase to the White House. Until we come up with a better system, I urge my colleagues to leave this program in place and support the amendment.

The PRESIDING OFFICER (Mr. COVERDELL). The Senator's time. has expired.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I really want to use a little bit of my time. I am on my 15 minutes in opposition, but I just want to talk to the Senate a minute.

Frankly, to my knowledge, there is only one law that controls the U.S. Senate in terms of debates and amendments and the like, and it is the Budget Act, which includes impoundments.

Essentially, it says in law, it sets down the detailed rules of how you proceed on a budget resolution and how you proceed on a reconciliation bill. It is not my rule. It is not Senator EXON's rule. It says 50 hours equally divided.

Frankly, maybe we will ask so the RECORD will be clear, how much time remains now on the entire budget resolution, under 50 hours that we are allocated by law?

The PRESIDING OFFICER. Approximately 1 hour 20 minutes.

Mr. DOMENICI. Approximately 1 hour 20 minutes. Essentially, I will say to the Senate, if 1 hour is used on Senator BOXER's amendment and 1 hour

used in opposition to it, there will be no time left. No time left.

What I would like everybody to understand—and this is not my rule; I wish it were different—but I do not know if there is going to be very much time to debate very many amendments in that remaining time.

I have been expressing to the Senator from Nebraska, based on this reality—this is just real—when the 50 hours comes, any Senator can say ''regular order'' and, obviously, there is no more time for debate.

I want to make sure everybody knows, under a unanimous-consent agreement, the majority leader and the minority leader, after all the votes are finished, including those that may be handed to the desk, there will be one-half hour allotted to the Democrat leadership and one-half hour to our leadership, to recap the budget situation. So that is there and that is all it can be used for.

We will soon be out of time. Maybe Senators on my side and Senators on that side of the aisle do not understand that we cannot help very much, but we would like to be helpful. So what I would like to do, and I am urging that we find a way to decide, is for you all to decide on your side through your ranking member what are all the amendments that you intend to offer. Some will be debated for a couple of minutes; some are just going to be offered at the end.

Why would I like to know? Because I would like to help. I would like to say maybe everybody ought to have a minute before they have to vote on their amendment, even beyond the 50 hours. I have no such authority from the majority leader. But I cannot do that if there are 50, 60 amendments because we will be here until midnight, and the whole purpose was to have 50 hours.

We are getting close to that 50 right now. So if there is any way that Senators on that side could accommodate so that we might sit down here soon in a room and say what process could we agree to to give everybody a little bit of time.

Again, I want to say the majority leader has told me on our side, if there are 20 or 30 such amendments, or 40, we are not going to agree to any time because you add all that up and the time to vote and we will be here 6 hours to 7 hours.

So I am asking for some reason, some reasonableness. When the 50 hours is up—and I am not using anybody's time so nobody has to worry about that. I am entitled to this time under the law, and when that time is up, there is no opportunity to talk about an amendment, unless we, as a Senate, agree to that. So if you have an amendment at the end left over and you want to insist on it, and the statute says you can do that, the statute also says no debate. We are not going to agree to give everybody time when we have already used up all the time unless we do it in an understandable manner where the Senate then understands what the amendments are, how many there are, and then maybe we may be in business to try to make some overall agreement.

I hope everybody understands, I am not trying to be harsh. I am not trying to take time away from anybody. That is just the reality.

Mr. FORD. Mr. President, will the Senator yield for a question?

Mr. DOMENICI. I yield on my time.

Mr. FORD. I thank the Senator for what he is trying to do and for his comity. It is kind of unusual, and I am glad to see it.

If we have 20 amendments that will be offered at the end of the 50 hours, we have two options, as I hear you: One is to offer the amendment, or call it up and we can vote up or down or to table; we can do that. Or on the other side, if we have a minute, you offer a minute or 2 minutes on each side, pro and con, on how many amendments? Do you have any figure if they are less than that or more than that?

Mr. DOMENICI. I very much would like you all to come up with some proposal.

Mr. FORD. When you say you all, who do you mean?

Mr. DOMENICI. The Democratic side.

Mr. FORD. How many will be on your side?

Mr. DOMENICI. We probably, in short order, can establish the fact that there would only be four or five.

Mr. FORD. You will have four or five amendments to come after the 50 hours?

Mr. DOMENICI. I will give that to Senator EXON shortly.

Mr. FORD. I thank the Senator for his courtesy.

Mr. DOMENICI. Let me correct the record. You said there are only two things that can happen. I do not want anybody to misunderstand. An amendment pending at the desk can be second-degreed even if there is no time. There is a series where we understand somebody wants to exercise that. They understand it is pending. They would not have any time either.

Mr. FORD. They would still offer it and then you move to table.

Mr. DOMENICI. Yes. Mr. President, how much time do I have left?

The PRESIDING OFFICER. Approximately 10 minutes.

Mr. DOMENICI. I will yield 10 minutes to Senator BURNS.

Mr. BURNS. Mr. President, I will respond to the amendment offered by the Senator from California and just point out some things about that amendment that I think are flawed. The Senator's amendment would create another point of order against how a tax cut should be constructed, and I think that is very important with this body because we already have enough points of order on the rest of this bill. Rather than a point of order against tax cuts, I think we should have a point of order against raising taxes, if you want to do it on both sides.

Let us be very careful. Whenever we start talking about this budget and what it does, all at once we start offering the amendments and it starts to come unraveled. When it was first put together in the Budget Committee, everybody just about knew where we had to go and what we had to do. Some would increase taxes, as has been proposed by some, really, on both sides of the aisle. I am firmly opposed to that.

Right now, most folks in America have a marginal tax rate over 45 percent—almost one-half of their yearly salary. So what is there left to tax? It makes no sense to bankrupt American citizens in the name of keeping the American Federal Government solvent.

So I think when you look at the overall budget, we have to come up with the word responsible. And that is what I would like to emphasize through this recap of not how I look at the amendment but the entire package of the bill. We have slowed the rate of spending. Back in 1990, I offered a bill that was a 4 percent solution—I called it—to allow in the budget process the Federal Government expenditures to only grow 4 percent based on the previous year's expenditures and do away with baseline budgeting. Unfortunately, that did not pass. But with the assumptions that we made then, by 1995 and 1996, we would have balanced the Federal budget. But I have to say there are hints of my ideas that I had back in 1990 in this bill.

Everyone would agree, maybe, that the Government has gotten too big to operate efficiently. This bill freezes pay for Senators, Representatives, Federal judges, and political appointees for a period of 7 years. As far as I am concerned, I can accept that. I am not real sure if my wife can. But nonetheless I think she will. It cuts Senate staff by 15 percent and Senate support staff by 12.5 percent. And we have cut a little already. It reduces the spending of the Executive Office of the President by around 25 percent. Those cuts save us almost $7 billion.

I take the budget another step further. I would consolidate the Surgeon General's office with the Assistant Secretary of Health. The office of the Surgeon General was originally created to function as a spokesperson for public health and has been used as a political football. I advocate putting an end to that political grandstanding by eliminating this unnecessary position and consolidating its duties with those of the office of the Assistant Secretary of Health. That is the way it used to be. During the Carter administration, Dr. Julius Richmond served as both the Surgeon General and the Assistant Secretary of Health. I see no reason why the American taxpayer should have to pay for staffing both offices.

When we look at what it does—a while ago we talked about the NIH, National Institutes of Health. I voted to restore some of those funds because I believe that this Government should be

actively involved in research and development, especially in the line of health. But the chairman's budget also calls for the transformation of NASA's management structure, contracting procedures, and the reduction of Government involvement in scientific research, infrastructure and equipment. I have to say that I voted against the Snowe amendment a while ago for the simple reason that it called for another billion-dollar reduction in NASA, when they have already shown their good faith, without any cajoling from this Congress to come to the bar, and cut $5 billion over 5 years. And there are some within the NASA organization that say now we have to start looking at safety when we start thinking about our space programs.

So we are glad to see that baseline budgeting is out. The chairman's budget proposed the elimination of spending on the National Biological Service. I have long said that is not needed. We have enough biologists in the Forest Service, in the U.S. Fish and Wildlife, and BLM to do what they want to do and what Interior wants to do. They have to do it within the confines of that. Why another layer of bureaucracy? I generally support that.

As I explained last week, I have concerns with the provision that cuts the Agricultural Research Service. I find it ironic that we are cutting back on R&D in the very area that is very important to us in the production of food and fiber for this country. To reduce the ARS at this time is appealing in the short run, but it would have a devastating long-term negative impact on farming and ranching in the United States and, consequently, on the Federal Treasury. I believe our first priority should be a commitment to the production of food and fiber. I find that many folks are surprised when you tell them that for the first time in the history of this country, wheat yields have actually leveled off in some areas and were declining because of our research work in developing new strains of wheat that are disease resistant.

So I am opposed to a reduction in ARS funding. Furthermore, agriculture has taken its fair share of cuts; if you look at the last 8 years, about a 45 percent cut.

So with that, it is a good package. When we start picking away at it, it starts to come unraveled. I want to congratulate my friends from New Mexico and Nebraska. They have worked very hard together on this. And it should be presented and they should be given the guidelines for the rest of us to complete our work.

I yield the floor.

Mr. DOMENICI. Mr. President, are my 15 minutes used?

The PRESIDING OFFICER. The Senator has 4½ minutes remaining.

Mr. DOMENICI. I reserve that.

Mr. EXON. Mr. President, I have four more relatively short speakers that I would like to yield to at this time. I would like to yield at this time in whatever order they are entitled to the floor from the time allotted to me most generously by my colleague from California. First is Senator LEAHY for 2 minutes, and then Senator BAUCUS for 2 minutes, Senator CONRAD for 6 minutes, and fourth, Senator GRAHAM for 2 minutes.

Mr. DOMENICI. Mr. President, Senator EXON, could we take a couple names at a time instead of the whole list? Who are the first two?

Mr. EXON. The first two I have are Senator LEAHY for 2 minutes and then Senator BAUCUS for 2 minutes.

Mr. DOMENICI. Mr. President, I have a Senator on the floor who would like to speak in opposition for up to 10 minutes on my time. Maybe we could move back and forth after the Senator from Vermont.

Mr. EXON. Since we are limiting—may I suggest we take care of the two Senators that I have mentioned—this is 4 minutes—and then go to 10 minutes. Is that reasonable?

Mr. DOMENICI. Can we have the two Senators for 4 minutes and then the Senator from Kentucky for 10?

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Vermont.

VIOLENT CRIME REDUCTION TRUST FUND

Mr. LEAHY. Mr. President, I will have two resolutions that we will be voting on at the appropriate time. One is expressing the sense of the Senate that the violent crime reduction trust fund not be cut. Notwithstanding the tremendous violence we have seen in New York, Oklahoma, and elsewhere, the House of Representatives voted on April 5 to cut $5 billion from the violent crime reduction trust fund and to give it for a tax cut.

They congratulated themselves on this, but have not explained to the American people that they are cutting out money in a trust fund set aside to fight violent crime.

Frankly, I think that is more important than to give a tax break to the wealthiest. We will be voting on that.

Earlier this year, on April 7, 1995, the Senate passed a resolution reaffirming our support for State and local law enforcement when their integrity was challenged.

When we passed Senate Joint Resolution 32 we were responding to remarks, by a well-known attorney in connection with a high-profile criminal case, that unfairly and inaccurately maligned the integrity of the Nation's law enforcement officers.

On April 19, 1995, a bomb exploded outside a Federal building in Oklahoma City killing scores of Americans, including a number of Federal law enforcement employees. There is reason to believe the bomb was directed at the Federal Government and its law enforcement officers.

This bombing has served to focus our attention on the real threats of violent extremism here at home and foreign terrorism. We will soon have an opportunity to consider legislative efforts to provide additional resources and better coordination of Federal, State, and local law enforcement efforts to deal with these threats.

Today, my purpose is a related one: I ask my colleagues to join with me to pass this resolution reaffirming our commitment and appreciation for Federal, State, and local law enforcement and the outstanding job that they do under the most difficult and dangerous circumstances and to reject House attempts drastically to cut our financial support for their efforts.

Since the bombing there has been a lot of public debate and comment about the activities of law enforcement and the rhetoric that has been used over the past few years to disparage and malign these dedicated public servants and the law enforcement agencies in which they serve.

I submit that law enforcement deserves better. We owe these men and women our respect, appreciation, and public, moral, and financial support.

Even had we not recently noted the increasing threats against the safety and lives of law enforcement officers, the Oklahoma bombing and the reports of attacks against park rangers, Forest Service employees, Treasury employees, and others all make the gruesome point too well.

Moreover, there has been a lot of recent discussion about the way responsible citizens converse about law enforcement and other public officials. I certainly understand President Bush's reaction when those with whom he served and who have made the ultimate sacrifice in the service of public safety are being criticized unfairly.

I commend our colleagues, from both sides of the aisle, who have tried to tone down the rhetoric and to turn the focus of debate to responsible efforts to assist law enforcement to do its job.

Likewise, I appreciate the apology recently issued by the National Rifle Association of the intemperate tone of certain remarks.

I have spoken about my revulsion with celebrities talking about how to shoot Federal agents and their using representations of our President for target practice. This is vile and reprehensible.

If we are to preserve freedom of speech in this increasingly violent and confrontational society, we need to use our freedoms to reject violent extremism and hatemongering. We need to remind ourselves that we live in the freest nation on Earth because the rule of law is respected, as are people's rights to speak, associate and petition the government.

We need to speak out ourselves against those who would portray the President, the Congress, the Government or law enforcement as conspirators intent on taking away people's rights. To the contrary, the dedicated men and women in Federal, State, and local government and law enforcement work long hours for limited financial reward in order to serve the public, protect us, and preserve our freedom.

It is in this context that I was concerned when the House of Representatives voted on April 5 to offset certain tax reduction proposals by cutting $5 billion from the violent crime reduction trust fund.

As it congratulated itself on its first 100 days and adjourned for its April recess, the House majority did not explain to the American people that it was invading the violent crime reduction trust fund and making it impossible to pay for the law enforcement and crime prevention programs of the Violent Crime Control Act of 1994, which the President signed into law only last summer.

Although this major crime bill was 6 years in the making, the House is apparently prepared to gut it. I hope and trust that our Senate colleagues will reject this $5 billion cut in funding to Federal law enforcement and Federal assistance to State and local efforts.

When we passed the crime bill last year we paid for its program. A trust fund was established from the saving of the downsizing of the Federal Government by some 250,000 jobs. The violent crime reduction trust fund contains funds dedicated to law enforcement and crime prevention programs, and is intended in large part to provide Federal financial assistance to critical Federal, State, and local needs.

On April 5, the House invaded that trust fund without debate and slashed our anticrime funding by $5 billion to help offset the budget deficit the House tax bill would create. This is wrong.

Since passage of the Violent Crime Control Act, the U.S. Department of Justice has been doing a tremendous job getting these resources to the field. I commend the Associate Attorney General John Schmidt and Chief Joe Brann, who directs the community policing programs for their quick work.

I know that funding to assist local law enforcement hire additional officers went out almost immediately based on simple, one-page applications. Vermont received commitments of over $2 million toward 35 new officers in 34 jurisdictions, for example. The House action would cost Vermont, for example, the equivalent of 50 State and local law enforcement officers over the next 5 years.

The House would have us turn our backs on law enforcement and prevention programs and the commitments we made in the Violent Crime Control Act. Law enforcement and community-based programs cannot be kept on a string like a yo-yo if they are to plan and implement crime control and prevention programs.

What we need to do is to follow through on our commitments, not to breach them and violate our pledge to law enforcement, State, and local government, and the American people. Invading trust funds dedicated to crime control purposes is simply no way to justify the elimination of the corporate alternative minimum tax or capital gains taxes.

From our Attorney General to the Fraternal Order of Police, International Brotherhood of Police Officers, National Association of Police Organizations, National Sheriffs Association, and the Police Foundation, dedicated law enforcement officers are justifiably outraged by this arbitrary action.

Funding for important programs implementing the Violence Against Women Act and our rural crime initiatives should not have been cut by one-sixth or at all, let alone without debate and justification.

I will work with the Attorney General and my Senate colleagues to reject the ill-advised House action and preserve the violent crime reduction trust fund so that we can fulfill the promise of the Violent Crime Control Act and our commitment to all that we can to reduce violent crime in our local communities.

I have noted that this is not the time to undercut our support for Federal law enforcement or the assistance provided State and local law enforcement. After the tragedy in Oklahoma City, I was certain that the House would abandon this ill-conceived plan.

Yet, in spite of all that has happened, the House chose to reaffirm its intention to proceed with this $5 billion cut in law enforcement funding, which it included in the House-passed budget resolution last week.

Accordingly, I offer this amendment as an embodiment of the Senate's resolve against the House-passed cuts to the violent crime reduction trust fund and reductions in funding of Federal, State, and local law enforcement.

Now is not the time to cut law enforcement funding and this is not the way to show our support for those whom we ask to protect public safety and preserve our precious freedoms.

PROTECTING FEDERAL NUTRITION PROGRAMS

My other resolution is very simple. It says that the infant formula that is purchased by the WIC Program be done under competitive bidding.

The House of Representatives gave in to some very powerful lobbyists and very powerful drug companies, and removed the amendment which requires competitive bidding for WIC. That meant the taxpayers will give a $1 billion windfall to four drug companies, and they will take 1.5 million pregnant women and newborn infants off the WIC Program.

This sense of the Senate says we ought to take care of the women and the infants before we do the drug companies, especially at taxpayers' expense.

It also says we ought to have real nutritional standards in school lunch. Not what the fast food industry would like, but perhaps what mothers, fathers, and children should like and should have.

Mr. President, this amendment is very simple.

It says that it is the sense of the Senate that infant formula be purchased by the WIC Program under competitive bidding. It says that school lunches should meet minimal nutrition requirements and that the content of WIC food packages be based on scientific evidence.

That has been the case for years and should continue. I am offering this amendment because the House-passed welfare reform bill does not follow that longstanding approach to child nutrition programs.

I am very pleased that the Senate Budget Committee majority report does not assume that the Senate wants to eliminate those protections for children.

The Contract With America, as passed by the House, would allow States to serve junk foods with lunch. The Senate should stand up to that challenge and say ''no.''

It would allow States to waste Federal taxpayer dollars on needlessly expensive foods for the WIC Program.

I have spent 8 years protecting the WIC Program from drug companies. Now the House Contract With America changes that. A few years ago, I called on the Federal Trade Commission to investigate price-fixing and bid-rigging regarding infant formula companies and the WIC Program.

I introduced bills, which all my Senate colleagues supported, to require that WIC buy infant formula under competitive bidding rules similar to rules used by the Federal Government, and most State governments, to purchase goods.

These WIC procedures save $1 billion a year. That money keeps 1.6 million pregnant women, infants, and children on WIC at no additional cost to taxpayers.

The House bill does not require competitive bidding. Instead it includes paltry cost containment requirements that are a sham.

It is hard to imagine a provision that better symbolizes what is wrong with the Contract With America.

The contract could give up to $1 billion to four corporate giants and take 1.6 million low-income women, infants, and children off the WIC Program.

For 8 years as chair of the Agriculture Committee, I tried to make our work on nutrition programs bipartisan. And I am pleased that the Senate Budget Committee report is supportive of the WIC Program.

Last year both the Senate and the House passed the child nutrition reauthorization by unanimous agreement.

That reauthorization act maintained the principle that school lunches provide one-third of the nutritional requirements for each day. It maintained strong competitive bidding procedures for the WIC Program.

And it ensured that foods of minimum nutritional value may not be sold with school lunches. It passed the Senate without objection last year.

The House bill eliminates minimum nutritional requirements for school lunches. I fought Coca-Cola and the

fast food companies last year to make school lunches healthier.

Congress reduced the saturated fat content of school meals, and clarified that schools have the right to say ''no'' to Coca-Cola and Pepsi-Cola.

Under the House Contract With America, soft drinks can be sold to school children during lunch instead of milk. Candy companies, fast food giants, and junk food purveyors are the big winners. Children and dairy farmers are the big losers.

The House-passed Contract With America could hurt child nutrition programs by eliminating what we put into law last year.

I hope the Senate tells the lobbyists for the soft drink bottlers that Coke or Pepsi should not be part of a school lunch or breakfast.

I hope the Senate tells the lobbyists for drug companies that make infant formula that the Senate wants to continue to save taxpayers $1 billion a year in the WIC Program by mandating strong competitive bidding procedures.

Remember, before the Congress required competitive bidding, many States did not use those procedures that now put 1.6 million more pregnant women, infants, and children on the WIC Program at no additional cost to taxpayers.

I hope the Senate rejects the House approach that repeals scientific standards for the WIC food package. These standards make WIC a success.

I want to make one additional point not directly related to the amendment I am offering. I believe it is a mistake to block grant food stamps.

On December 2, 1969, President Nixon said in a speech that relying on local governments meant that ''our Nation's food programs have been shot through with inequities.''

Chairman GOODLING put it another way when he opposed block grants a few years ago—he said that a ''child's basic nutrition needs do not vary from State to State.''

I joined with Senator DOLE in opposing block granting some years ago. He said, and I agreed with him, that the ''Federal Government should retain primary responsibility for nutrition programs in order to guarantee some standardization of benefits.''

We have to recognize that food stamps are America's best and largest child nutrition program.

Over 80 percent of food stamp benefits go to families with children; and over 90 percent of food stamp benefits go to families with children, or the elderly or disabled.

I am pleased to report that as the economy has grown over the last year, participation in food stamps has dropped by 1 million persons.

It is crucial to me that food stamps not be block-granted—I agree with the House of Representatives and Chairman ROBERTS, Chairman EMERSON and Chairman GUNDERSON on this issue.

Their view is that food stamps is the final safety net and that it should neither be block-granted nor cashed out. In rejecting block grants, the House used some of the same points made years ago by President Nixon.

In closing, I urge my colleagues to support my amendment.

Mr. President, I thank the managers for their courtesy.

PRIVATIZING PMA'S IS BACKDOOR TAX

Mr. BAUCUS. Mr. President, I have an amendment, joined with Senator PRESSLER, Senator DORGAN, Senator ROBB, Senator WARNER, and others, No. 1120, to oppose the sale of the public power marketing administrations.

Very simply, Mr. President, this is the situation: The budget resolution proposes the sale of public power marketing administration, the PMA's.

What is the effect of that sale? Twofold. No. 1, to dramatically increase the rates of consumers, utility consumers, in most States of our country, because public power is sold at a lower rate than power from other sources that is sold to consumers.

The estimate is between a 20- and a 60-percent increase in utility rates for farmers, for ranchers, for homeowners, for small business, for anybody who is in a rural co-op, or anyone who buys public power. No. 1, the effect is very much to increase the rate. It is a hidden tax, Mr. President. It is a hidden tax because in effect people will have to pay more.

The second major consequence of the sale of the PMA's: Increase the budget deficit. That is a consequence. Why? Very simply, because the PMA's currently make money. They make about $240 million a year. When the PMA's loan is retired, in about, I think, 14 or 16 years, Uncle Sam will make $5 billion on the investment.

So the sale of PMA's has two effects. No. 1, big increase in utility rates; No. 2, increase in the budget deficit.

My amendment says, ''No, let's not sell the PMA's; therefore, let's not raise utility rates; and let's also reduce the budget deficit by keeping the PMA's alive.''

Please add Senators FORD, HARKIN, HEFLIN, and HOLLINGS as cosponsors. Webster defines a ''tax'' as follows: ''to require to pay a percentage of income, property or value for support of the government.''

So a tax can come in many forms—a direct levy, or a hidden fee that sneaks up on taxpayers under a cover name. And that is precisely what this budget resolution contemplates for ratepayers across rural America.

Privatizing the power marketing administrations is a bad idea. It is shortsighted and it hurts rural America. Privatization cannot work when its result is simply to create four huge monopolies, which will gouge their captive market like any other monopoly.

So at its core, the proposal to sell off PMA's is no more than a backdoor tax increase on the rural middle class. A tax hidden in a utility bill is every bit as much a tax as a gas tax, income tax or anything else. I won't stand for it. And many of my colleagues on both sides of the isle won't stand for it.

Let me tell you what this would mean to Montana. Montana, like much of the west, was built on hydroelectric power. By harnessing the Missouri River at Fort Peck Reservoir, Montanans bring water to arid lands for farming and ranching. Small industries use the affordable power to create jobs and build communities. And folks in rural areas get affordable power to heat and light their homes.

This is an essential service. It is something that works. And it has worked ever since Franklin Roosevelt came out to break ground at the Fort Peck Dam and bring public power to rural Montana. Public power meant electricity that an ordinary farm family could afford. It helped create Montana communities like Glasgow, Sidney, and Shelby. It keeps towns like these strong and healthy today.

As my friends George and Barbara DenBoer of Dupuyer, MT, recently told me:

> Our electric bills are high enough. We are barely making a living on the ranch now and with all the new taxes and increases in expenses it is all but impossible to continue. Please stop and consider how many rural people will be affected with higher rates. . . . We need the Power Marketing Administration. Please do not make it impossible for those who make their living in the country.

One hundred thousand Montana families—nearly one in three Montana men, women, and children—share George and Barbara's feelings.

All of them use WAPA power in Montana today. And they stand to see their electric bills increase by at least 30 percent if this proposal goes forward. You are talking about a real, tangible cut in the living standards for people in rural America. And that is why I so strongly oppose the sale of WAPA and the PMA's.

A second point is that WAPA and the other power marketing programs take not one tax dollar. In fact, the Federal Government makes money off of these programs.

WAPA is a good example. The Federal Government has invested a total of $5.6 billion in WAPA. And each year, WAPA pays the Federal Government approximately $380 million for this loan with interest. So far, the Federal Treasury has gotten back $4.1 billion on its initial loan. And by the time this debt is retired in 24 years, the Federal Treasury will have made $14 billion on its initial investment of $5.6 billion.

Second, even now the PMA's run a profit for the Government. A recently released CRS report on the PMA's found that the Federal Treasury actually earns a profit of $244 million a year on the PMA's. You have to look long and hard to find a Federal program that provides a good service to the public and makes a profit.

I find it incredibly shortsighted that the Congress would want to sell America's infrastructure for a quick, one time shot of cash. What is next? Our highways? Our bridges? Our national

parks? The principle is just the same. America's infrastructure up for sale. It doesn't make any sense to me, and I will not stand by and let it proceed without a fight.

And I urge my colleagues—particularly those Republicans and Democrats from the 32 rural States served by the PMA's—to join me. Senators will find a comprehensive list of all electric utilities in their States who are served by the PMAs on their desks.

Let me read for the RECORD, States who are served by the PMA's:

Alabama, Arkansas, Arizona, California, Colorado, Florida, Georgia, Iowa, Idaho, Illinois, Kansas, Kentucky, Louisiana, Minnesota, Missouri, Mississippi, Montana, North Carolina, North Dakota, Nebraska, New Mexico, Nevada, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, Wisconsin, and Wyoming.

I urge Senators to take a moment before they vote on my amendment to consider the consequences elimination of the PMA's will have on the people in their States—the small businesses, farmers, ranchers, homeowners, and school districts. Say no to this backdoor tax and support my amendment.

I ask for the yeas and nays on my amendment.

Mr. DOMENICI. Mr. President, I want to yield 7 minutes to the Senator from Kentucky.

NO TAXPAYER FUNDING OF ELECTIONS

Mr. MCCONNELL. Mr. President, I listened with great interest to my friend and colleague, Senator KERRY from Massachusetts, decry the effort of the Budget Committee to get rid of the Presidential checkoff. Let me say, my good friend could not be more wrong.

In looking back at the Watergate scandal, it is interesting to note that the Select Committee on Watergate in the mid-1970's in recommendation No. 7, said the committee recommends against the adoption of any form of taxpayer funding of elections—against any form of it. The Congress proceeded to establish the Presidential fund in spite of that.

During the last 20 years, Mr. President, such eminent persons as Lyndon LaRouche has gotten a $12 million in taxpayers funds to run for President of the United States. He even got, interestingly enough, $200,000 from the taxpayers to run for President while he was in jail. My assumption is he would not even be able to vote for himself as a resident of the jail.

In addition, that outstanding American, Lenora Fulani, has gotten $3.5 million from the taxpayers of America to run for President.

Now, Mr. President, the taxpayers of America have an opportunity every April 15 to vote on how they feel about using taxpayers' money for the Presidential election. As a matter of fact, it could be argued it is the most complete survey ever taken in America on any subject.

Every April 15, voters get to decide whether they want to check off—it used to be $1, and now $3—of taxes they already owe—it does not add to their tax bill—to divert that away from whatever else may be funded by the Federal Government into this fund.

Now the checkoff participation has dropped down last year to 14.5 percent, and is still falling. Two years ago, the majority, for fear that the taxpayers would totally revolt and there would be no money in the fund at all, raised the checkoff from $1 to $3. Now the net effect of that is that fewer and fewer people could divert more and more money. Eighty-five percent of the American people choose not to check off, even though it does not add to their tax bills, $3 to go into this fund.

Everyone, in effect, ends up paying for the checkoff because the money is diverted away from other topics.

If there is any system that has been thoroughly discredited, Mr. President, it is this one. It has not stopped spending. It has not stopped soft money, and it has eaten up about $1 billion of the tax money of the people of the United States over the last 20 years.

If we cannot kill this program, Mr. President, then what program can we kill? Now, at the appropriate time I will be offering a second-degree amendment to the Kerry amendment. I would like to briefly describe what that is about.

Among the things, Mr. President, that taxpayers funding has been used for during these years was to settle a sexual harassment case. My amendment would prevent, assuming the Presidential fund survives—which I hope it will not, but assuming it survives—my second-degree amendment to the Kerry amendment would be a sense of the Senate that the Presidential election campaign fund, if it survives, could not pay for or augment damage awards or settlements arising from a civil or criminal action, or the threat thereof, related to sexual harassment.

Now, I will be offering that second-degree amendment to make a point, Mr. President, as to how taxpayers' money has been used: $37,500 was used to settle a sexual harassment case against a top aide of the current President in his campaign back in 1992. The taxpayers paid for the settlement.

At the appropriate time, I will be offering a second-degree amendment which I hope will be approved. I hope that the underlying amendment will be disapproved. This is a program that ought to end up on the ash heap of history.

In addition to that, Mr. President, I will offer an amendment with regard to the Appalachian Regional Commission, a Commission that is extremely important to my own State of Kentucky, and will be cosponsored by Senator WARNER, Senator COCHRAN, Senator ROCKEFELLER, and Senator HEFLIN.

Essentially, Mr. President, even though the Appalachian Regional Commission would be taken down in its funding over a period of 7 years, very, very significantly, this amendment would prevent the ARC from being totally phased out, and it would pay for it largely by diverting funds from the Office of Surface Mining and from other regulatory activities.

So, essentially what this amendment is about is to take money away from regulators and give it to those involved in economic development. It is simply a question of priorities. Do we want to give the money to the Office of Surface Mining and others engaged in regulating in this and other fields? Or do we want the money to go directly into economic development activities in parts of our country that are economically deprived? This ARC covers such States as West Virginia, Kentucky, Tennessee, Mississippi and Alabama, and it has been useful in providing roads and other economic development tools for the most poverty stricken parts of that part of America.

I am somebody who is going to support the final budget resolution. I am in favor of ending a lot of programs and intend to so vote. But I believe here in this particular amendment we will simply be choosing between whether we want to fund more and more Government regulators on the one hand or economic development in poverty-stricken areas on the other.

So I hope the MCCONNELL amendment on ARC, supported by Senators WARNER, COCHRAN, ROCKEFELLER, and HEFLIN, will be approved when it is offered at the end of the time.

Mr. President, I have actually done an astonishing thing. I believe I have finished before Senator DOMENICI had to ring the bell. So I will yield any remaining time.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOMENICI. How much time did he give back?

The PRESIDING OFFICER. The Senator has 26 minutes and 45 seconds.

The Senator from Nebraska.

Mr. EXON. Mr. President, I yield 6 minutes to the Senator from North Dakota, followed by 2 minutes for the Senator from Florida.

Mr. CONRAD. Mr. President, today we are engaged in a historic debate on our economic future. There are many of us on both sides of the aisle who are committed to balancing our budget. But a group of us have worked for a number of weeks on producing a plan that we call the Fair Share plan, because we believe the Republican alternative that has been presented does not call on all of our citizens on a fair basis to contribute to this effort.

Perhaps the conservative commentator Kevin Phillips said it best when he said, ''If the budget deficit were really a national crisis we would be talking about shared sacrifice, with business, Wall Street and the rich, the people who have the big money, making the biggest sacrifice. Instead, the richest one or two percent, far from making sacrifices, actually get new benefits and tax reductions.''

That does not strike some of us as fair. We believe everyone in this country ought to be asked to contribute to solving this budget problem. So we have created an alternative that we call the fair share balanced budget plan. It balances the budget by the year 2004 without counting the Social Security trust fund surpluses. The Republican plan claims to achieve balance by the year 2002, but they do that by counting Social Security trust fund surpluses. In fact, if you look at the Republican budget resolution you will find that they have a $113 billion budget deficit, when it is fairly stated, in the year 2002. We understand they do not achieve a balanced budget without counting Social Security surpluses until the year 2006.

Our plan offers even more deficit reduction in the year 2002 than their plan. Without counting the Social Security surpluses, the Republicans have a $113 billion deficit in 2002, while the Fair Share plan has a $97 billion deficit, $16 billion less in deficit than the Republican plan.

We freeze defense spending, like the Republican plan does.

We freeze nondefense discretionary spending while the Republicans cut it $190 billion below a freeze. In other words, we have frozen both defense spending and nondefense discretionary spending for 7 years in our plan. In the Republican plan, they have cut, on domestic discretionary spending, $190 billion below freeze. That means the high-priority areas of the budget are devastated under the Republican plan: Education, infrastructure, research and development, technology. We add back $47 billion to education. We add back $54 billion to infrastructure, and some $13 billion to R&D and technology because those are the keys to America's future.

We also cut other important priorities less than the Republican plan. We restore $100 billion of the $256 billion Republicans cut in Medicaid. We have full funding for student loans, some $14 billion. We restore $24 billion of the $46 billion the Republicans cut in nutrition and agriculture. We restore $60 billion of the $86 billion cut in income assistance in the Republican plan. And we restore $5 billion of the $10 billion Republicans cut in veterans benefits.

To fund these changes we reject the Republican tax cuts targeted at the wealthy. The fair share plan eliminates $170 billion reserved in the Republican plans for tax cuts targeted primarily for the wealthy.

We also ask the wealthiest among us to contribute to a balanced budget by limiting the growth of tax breaks, tax loopholes and tax benefits, tax preferences that benefit the wealthy and the big corporations. Tax entitlements are the largest entitlement in dollar terms and the third fastest growing major area of the Federal budget. The Republican budget plan lets these tax loopholes and tax preferences grow without discipline, at twice the rate of overall Federal spending. Our plan limits the growth in tax entitlements to inflation plus 1 percent, producing $228 billion in savings over 7 years.

We are simply saying, as the Republicans have argued, that entitlement growth ought to be limited. We agree. But we do not think we should forget the biggest entitlement of them all, the tax preferences, tax benefits, tax loopholes that go to those who have the most in our society. Let us ask everyone in our country to contribute to an effort to reduce the deficit and let us ask them to contribute on a fair basis.

I reserve the remainder of my time.

The PRESIDING OFFICER. The time of the Senator has expired. The Senator from Florida is recognized for 2 minutes.

Mr. GRAHAM. Mr. President, I wish to add my voice in support of the amendment to be offered by the Senator from North Dakota. I believe it speaks to two important principles in this debate. One, there has been an assumption that there is a single path to the heaven of a balanced budget; if we did not ride on the chariot that has been provided to us by the Republican leadership that we could not get to that destination. Senator CONRAD has clearly outlined that there are alternative means of reaching the goal of a balanced budget. And we stand second to no Member of this body in terms of our commitment and the length of our commitment toward the goal of a balanced budget.

Second, I believe we will not reach a balanced budget with the Republican plan, and we will not because it fails to meet a fundamental requirement and that is the requirement of fairness; the requirement that all Americans be asked to contribute to the balancing of the budget in an evenhanded manner.

The wheels and wings of this chariot of the Republican leadership for a balanced budget will fall off before we reach the year 2002 because the American people will object. They will reject the proposal to reach that balanced budget which attempts to do so primarily by reducing the already meager capability of the poorest and the oldest of Americans.

The most dramatic example of that is in the area of health care. We have beaten upon our respective breasts about how we are holding down entitlements. Here is what we are doing. According to the Congressional Budget Office, overall health care expenditures are projected to increase by over 7 percent per capita between now and the year 2002. This budget would restrain Medicare, the program for our oldest Americans, by less than 6 percent, and 1.5 percent for our poorest Americans.

That is unfair. That plan will not reach the year 2002. Senator CONRAD's plan will.

I urge its adoption.

Mr. DOMENICI. Mr. President, how much time remains on each side?

The PRESIDING OFFICER. There are 26½ minutes for your side, and 18½ minutes for the other side.

Mr. DOMENICI. I am using my time.

I hope Senators understand that is literal. There are 26 minutes left on our side, 18 minutes left on Senator EXON's side. I intend to make that where it comes out even.

I yield 3 minutes to Senator SANTORUM in opposition to the amendment.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The Senator from Pennsylvania is recognized for 3 minutes.

Mr. SANTORUM. I thank the Senator.

Mr. President, I wanted to talk about the Conrad amendment and just suggest that this is more of the same, again smoke and mirrors, no defined plan of how you are going to get there, more taxes, $230 billion is what they tell you about, but go ahead and spend $170 billion in the reserve fund. We do not know how that necessarily will work and whether that is really there.

I ask the Senator from North Dakota. Has that been scored by the Congressional Budget Office that your budget gets a bonus of $170 billion? Do you get that bonus?

Mr. CONRAD. Am I to respond?

Mr. SANTORUM. Yes.

Mr. CONRAD. We have treated the $170 billion in the same way that the Republican resolution has treated it. In other words, only that money—

Mr. SANTORUM. Has the CBO scored $170 billion in savings in your budget as a result of it going to balance as it did the Domenici budget?

Mr. CONRAD. We do have CBO scoring for the 7 years that indicate we will save $1.250 trillion. We will balance without using Social Security surpluses.

Mr. SANTORUM. I am running out of time.

Mr. CONRAD. We have more deficit reduction in the year 2002 than the Republicans.

Mr. SANTORUM. If I can reclaim my time, I am not getting an answer to the question. I guess the answer is the CBO has not scored $170 billion in bonus savings as a result of getting to balance in 9 years. So they are using money that they do not even have. So it is already potentially $170 billion out of balance.

They have $230 billion in tax increases. They do not solve the Medicare problem because they add money back which does not take care of the problem with the insolvency of the trust fund. They have $443 billion in new spending, but only $398 billion in offset. So that falls short.

This plan looks remarkably like a 10-year plan that the President supposedly is eyeing over at the White House of how to get to a balanced budget in 10 years, which this budget does in 9 years.

Mr. GRAHAM. Will the Senator from Pennsylvania yield for a question?

Mr. SANTORUM. Let me finish my time. Then I be would happy to yield, if I have any time left.

I did a little homework. I found the Chief of Staff at the White House, Leon Panetta, who was Budget Committee chairman when I was on the Budget Committee and offered a budget resolution. ''The Story of America's Future, Preparing the Nation For the 21st Century,'' which was a 10-year balanced budget, just being produced over at the White House, basically presented here today, and they are remarkably similar—big cuts in defense, cuts in entitlements, which the Conrad budget does, and up to a $400 billion in tax increases.

It is the same old song.

Mr. GRAHAM. Will the Senator from Pennsylvania yield for a question?

Mr. FAIRCLOTH. The time of the Senator from Pennsylvania has expired.

Who yields time?

Mr. DOMENICI. I yield myself 3 minutes.

Mr. President, let me say to Senator CONRAD and those who joined him, that we are—

Mr. GRAHAM. Will the Senator from New Mexico yield for a question?

Mr. DOMENICI. No, I will not. I have not had a chance to speak yet. Let me do this. I am not shying away from questions. Let me say to Senator CONRAD that it is very good that you would bring a balanced budget to the floor at 1 o'clock when there is 30 minutes left to debate.

The President sent a budget up about 4 months ago. The Republicans sent a budget to the Budget Committee about 2½ to 3 weeks ago. We have been on the floor a little more than a week. Frankly, there is no way to analyze the budget. But, frankly, I am absolutely positive that it does contain a couple of things that everybody should understand.

The Senator would say he is just taking care of loopholes, just not letting those grow as much, not letting the tax credits and other things grow. He is freezing them at 1-percent growth.

The truth of the matter is that equals a number. That is a dollar number. My estimate is that it is $230 billion in new taxes no matter how you cut it, because in this resolution, if it is done right, they tell the Finance Committee to raise revenues in the amount of $230 billion. Obviously, if you raise revenues $230 billion, you can spend a lot of money. You can spend $230 billion of the taxpayers' money. We did not do that. Americans should understand that.

In addition, the Senate budget resolution said when you balance, there is a dividend. We do not know if they have a dividend on that side. But we said when that dividend accrues we cut Americans' taxes by $170 billion. It is very easy to sit up here and say we are only going to cut for the rich. It is not true. If they did not have that in their vocabulary on that side, they would not have anything to talk that about. Every time they get up, they talk about taxing the rich.

The budget resolution says when we have tax cuts, if we do, they will not go to the rich. I do not know how many times I can say it, but that is the truth. Read the resolution.

In addition, that $170 billion which the Republicans say give back to Americans, they spend that. Of course, $230 billion and $170 billion is $400 billion. It seems to me, if you have $400 billion to spend, you can save a lot of programs.

I yield 1 additional minute.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 1 additional minute.

Mr. DOMENICI. The question is, should the American people be taxed $230 billion more at this time in history, and should they not be entitled to at least take a look at whether they should get a tax cut when we get things in balance, or should we spend it all? That is the issue, plain and simple. All the rest is an interesting discussion which nobody has enough time to analyze. But I still commend the Senator. It is better than nothing. We did not have anything until now.

So I thank him for doing something better than having nothing to offer. Frankly, it is a false gesture. There will be a lot of people who will vote for it. They will say they voted for a balanced budget also. Frankly, I think it is a little too late. Nonetheless, we will probably vote on it later today.

I yield the floor at this point and reserve the remainder of the time.

Mr. GRAHAM. Will the Senator from New Mexico yield for a question or yield time to the Senator from Pennsylvania?

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. I do not have any time.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, unfortunately, the Senator from Nebraska is placed in the position where I have a great number of Senators who want to address this. If I have any time left for myself at all, I would like to answer some of the statements that have been made. But in view of the fact that I have Members on this side who are very vitally involved in this whole matter at this time, I would like to yield 2 additional minutes for whatever purposes he sees proper to my colleague from North Dakota. I would like to yield, following that 2 minutes, to my colleague from the State of Illinois and 2 minutes to my colleague from the State of New Jersey, 6 minutes in total.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Dakota.

Mr. CONRAD. I thank the Senator from Nebraska.

In answer to my colleague from Pennsylvania, this is not the same old song. This is a balanced budget and one that does it without using or without counting Social Security trust funds. It is a significant breakthrough. We do it by less draconian cuts on the high-priority programs of education, Medicare, Medicaid, veterans, and many others.

We are able to do that because we reject the tax reduction aimed and targeted primarily at the wealthiest among us, and we say there is no need to defend every tax preference, every tax loophole, every tax break that is in the current code.

This chart shows it—$4 trillion of tax preferences over the next 7 years. We say let us limit the growth to inflation plus 1 percent. That saves us $228 billion.

Now, my friends may be able to defend every tax preference, every tax break, every tax loophole. I am not. I do not understand the practice of allowing 73 percent of the foreign corporations doing business in this country to get by without paying one dime of tax. Those are not U.S. taxpayers. They are foreign taxpayers doing business here, and we allow 73 percent of them to get by without paying a penny. It makes no sense.

I do not understand the practice of having a section 936 in the code that costs $57,000 for every job created in Puerto Rico under that section of the code. I think we could do away with that loophole, and overwhelmingly the people of this country would agree. I do not see any reason we should not say to the billionaires who renounce their U.S. citizenship to avoid taxes, that loophole should now be closed.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CONRAD. I thank the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois.

Mr. SIMON. Mr. President, I rise in strong support of the Conrad amendment. In response to my colleague from Pennsylvania, who said this is smoke and mirrors, it took about 10 of us about six meetings to put this together, plus our staffs. It is substantial. I do not suggest that the budget offered by the Senator from New Mexico is smoke and mirrors. This is not smoke and mirrors. The question is, which is more equitable? And I think clearly the Conrad amendment is.

The second question is the growth of tax loopholes or tax entitlements. I have heard the Senator from New Mexico speak often about entitlements and the need to get hold of them. He is absolutely correct. But that also applies to tax entitlements, and what the Conrad amendment does is say on tax loopholes, they can grow at the rate of inflation plus 1 percent.

Finally, I would say I am a pessimist that any of these things will stand without the teeth of a constitutional amendment. Our history is after 2 years they blow up. But I believe the Conrad plan has a greater chance of standing up through the test of time because it is more fair. The burden is

spread more evenly. I strongly support the Conrad amendment.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Jersey.

Mr. BRADLEY. Mr. President, the issue of whether there will be a tax increase in the budget resolution, of course, is yesterday's story. There already is a tax increase in the Republican budget proposal. It is the elimination of the earned-income tax credit. It is a tax increase of $20 billion on families that earn under $28,000 a year.

So make no mistake, the issue is not whether or not there will be a tax increase. The issue is who is going to pay the tax. And I believe that this measure is appropriate. It says that corporations and wealthy individuals who use tax loopholes should lose them or have them limited. The Senator from South Dakota and I might disagree on which tax loopholes should be eliminated, but there is no question that we should tell the Finance Committee to work to achieve that amount of deficit reduction through the elimination of the tax loopholes.

If this amendment does not succeed, when we get to the end and we are offering amendments that will not be able to be debated, I will be offering another alternative budget that will cut discretionary spending more, Medicaid and Medicare less, tax expenditures less, have a tobacco tax, cut defense more, and cut agriculture more. That will be an alternative budget to the one that is being offered now by the distinguished Senator from North Dakota. So that, indeed, we will have two Democratic amendments that would produce a balanced budget—not one but two. And I hope that this amendment is seriously addressed by the Senate and passed, because it is clearly better than the current budget proposal.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 19 minutes 2 seconds.

Mr. DOMENICI. That is all that is remaining?

The PRESIDING OFFICER. The Democratic side has 12 minutes 9 seconds.

Mr. DOMENICI. Mr. President, I have a number of comments I wish to make. I yield myself 5 minutes.

Mr. President, on Federal workers, there will be an amendment called up that Senator SARBANES offered, and, frankly, I want the body to know that I worked very hard with Federal employees representative groups. We did a lot better in this budget resolution for Federal workers than the House did.

First of all, we did not freeze their pay. They get their regular pay increases. We provided sufficient money. The House provided a freeze. Unlike the House approach, we did not put a tax on them to put in the pension fund of 2.4 percent. The only thing that is in this budget resolution is use the top 5 instead of the top 3 for your averages. And we hope to do some grandfathering in the committee so that it has the least damaging effect. On the other hand, I would like to do more but I am also hopeful that when we go to conference I can hold what we have done, and from what I understand from most senior groups, most Federal employee groups, with some grandfathering this is much more palatable than what the House did.

Second, I would like to talk about WIC. Some people have talked about the Women, Infants and Children Program. I think it was Senator LEAHY. We accommodated an increase in the WIC Program. There is no argument that other programs should be restrained, but we said we think that should be increased; that is very important, nutrition. In fact, it is a $1.6 billion increase.

With reference to the power marketing, there is and there will be an amendment and discussion about it. Let me just suggest we understood from Members on our side and the Democrat side that the PMA's as proposed by the House was too tough; it would raise utility rates very high in some areas of the country. We scaled it back tremendously in this budget resolution. For those who are interested, we reduced the savings in the President's budget by two-thirds, or $2.9 billion, the assumption of savings.

We also assumed that existing customers get preferential rights to purchase the PMA's. I think we did a very credible and good job in that area, and I hope that the Senate would not further change that during the waning moments.

In addition, I repeat one more time, this budget resolution says by adoption of a sense-of-the-Senate resolution, if taxes are granted to the American people, 90 percent of them shall go to Americans earning $100,000 or less.

If I did not use all of my time, I will reserve the remainder of it and yield at this time.

Mr. SARBANES. Will the Senator yield?

Mr. DOMENICI. I will be pleased to yield.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. I yield.

The PRESIDING OFFICER. The Chair recognizes the Senator from Maryland.

Mr. SARBANES. I will be very brief.

That this resolution is more sensitive toward the Federal employees than the House-passed resolution is correct. I think we have done better than the House. I offered the amendment on the retirement provision because I feel strongly we ought not to change the rules on people who have given long service and planned this retirement. But the overall package in the Senate resolution is better than what the House has done, and I am hopeful that we can do even better in the conference. But I offered this particular proposal because I am very concerned about people having the retirement rules changed on them along the way in their working career.

Mr. EXON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 12 minutes 9 seconds.

Mr. EXON. I yield 2 minutes to the Senator from Michigan and following that 2 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Michigan has 2 minutes.

Mr. LEVIN. Mr. President, I thank the Senator from Nebraska.

The budget resolution before us assumes a 15 percent reduction in overhead for programs in nondefense agencies. It assumes no reduction in overhead for the Defense Department. I think that is the wrong signal to send to the Defense Department, particularly given the fact that we know there has been remaining waste in the defense budget. We have identified literally hundreds of millions of dollars that the GAO has pointed out could be saved by improved efficiency in travel management. We know of the billions of dollars of expenditures where they cannot even identify authority for the expenditures.

We can reduce somewhat the overhead in the Defense Department. My amendment which I will send to the desk says it is the sense of the Senate that the Armed Services Committee and the Appropriations Committee should reduce the overhead in the Defense Department by 3 percent—just 3 percent. And again the contrast here is very clear. We have in this budget assumed a 15-percent reduction in overhead of nondefense agencies, but the budget makes no cut, no assumption about the reduction in overhead in the Defense Department. And given the fact there has been identification of excess and waste in overhead in the Defense Department, we ought to at least ask the Appropriations Committee and the authorizing committee to cut overhead—and I emphasize the word ''overhead''—by 3 percent. This does not reduce the programmatic activities of the agency.

Just the way the 15-percent reduction in overhead was directed to be taken out of things like travel and rent and not out of the programs of the agencies, so this minimum 3 percent reduction in defense is directed not to come out of the programmatic activities of the defense agencies.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. EXON. As I understand it, the Senator will send the amendment to the desk for later consideration.

Mr. LEVIN. That is correct.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 2 minutes.

AGRICULTURE AND NUTRITION PROGRAMS

Mr. WELLSTONE. I thank you, Mr. President.

Later on, we will be voting on an amendment offered by Senator EXON and, I believe, Senators DASCHLE and DORGAN, and I am an original cosponsor. This amendment would restore $15 billion from the tax cuts to agriculture and nutrition programs.

Mr. President, I will tell you, a minute and a half is not enough time to talk about nutrition programs, but I want to just remind my colleagues that some 13 million children received food stamp benefits in 1992. Families with children receive 1.9 percent of food stamp benefits.

In addition, we are talking about the child and adult care food program which is nutritional assistance for children at child care centers—and I have visited those centers—we are talking about $20 billion-plus of cuts in the Food Stamp Program. And I say to my colleagues, not that long ago, the Senate unanimously supported an amendment that I offered that we would take no action that would increase hunger among children in America. Three times I tried to get a vote on that and lost. The fourth time we went on record supporting it.

I just simply want to say that these cuts in these nutrition programs will lead to increased hunger among children. The food stamp program in the United States of America is not perfect, but, given the tremendous disparities of welfare benefits, very low benefits, way below poverty level in many States, it is the true safety net for children.

To have these kinds of reductions in this food assistance program is one of the cruelest things we could do. And this summer, well before that final reconciliation bill, I am going to be on the floor over and over and over again reminding my colleagues of the consequences of what we are doing with these cuts. These are real children, real faces, real people, in our country. They do not have the political clout but they deserve much more of our support.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Who yields time?

Mr. EXON. Mr. President, I have an additional speaker that I would be glad to yield to at this time.

Mr. DOMENICI. Mr. President, I say to Senator ROTH, do you want to discuss an amendment you were going to offer?

Mr. ROTH. Yes.

Mr. DOMENICI. I yield 2 minutes to Senator ROTH and 1 minute to Senator STEVENS.

The PRESIDING OFFICER. The Senator from New Mexico yields 2 minutes to the Senator from Delaware.

PREVENTING OIL AND GAS LEASES IN THE ARCTIC NATIONAL WILDLIFE REFUGE

Mr. ROTH. Mr. President, when the time has expired, I intend to offer an amendment to prevent oil and gas leases to be made in the Arctic National Wildlife Refuge.

Mr. President, a financial debt is not the only threat that hangs over the heads of future generations. There is an environmental debt, as well. We have a moral duty to give them a world that has clean water and clean air, and open vistas where wildlife runs free. One of the great birthrights of every American citizen is the wealth of superlative public lands.

Unfortunately, the budget resolution before us today jeopardizes one of the most spectacular places in America: the coastal plain of the Arctic National Wildlife Refuge. There is a provision in the budget that provides for oil and gas lease sales in this sanctuary. Located in the northeastern corner of Alaska, this unique piece of our natural heritage is bordered on the north by the Arctic Ocean and Beaufort Sea, and on the south by the snow-capped Brooks Range.

As a lead sponsor of S. 428, the bill that designates the coastal plain of the Arctic National Wildlife Refuge as wilderness area, I am concerned by the provision in the budget proposal that uses revenues taken from sales of leases to drill the coastal plain.

My concern arises on two levels: first, that the budget is assuming revenue from a pristine wilderness area; and second, that the revenue raised from drilling in this wilderness area will not amount to such an insignificant amount of money that it could easily be found elsewhere.

Mr. President, as I've said before, the best thing we have learned from nearly 500 years of contact with the American wilderness is restraint, the need to stay our hand and preserve our precious environment and future resources rather than destroy them for momentary gain.

For this reason, I have been active in the effort to designate the refuge coastal plain of Alaska as a wilderness area. And I am not alone. Only 4 years ago, Congress rejected the idea of sacrificing a prime part of our national heritage, the Arctic National Wildlife Refuge, for what would be a minimal supply of oil. The Arctic National Wildlife Refuge is an invaluable region with wildlife diversity that has been compared to Africa's Serengeti.

As I've said in earlier statements, the Alaskan wilderness area is not only a critical part of our Earth's ecosystem—the last remaining region where the complete spectrum of arctic and subarctic ecosystems comes together—but it is a vital part of our national consciousness. It is a place we can cherish and visit for our soul's good. It offers us a sense of well-being and promises that not all dreams have been dreamt.

The Alaskan wilderness is a place of outstanding wildlife, wilderness, and recreation, a land dotted by beautiful forests, dramatic peaks and glaciers, gentle foothills, and undulating tundra. It is untamed—rich with Caribou, polar bear, grizzly, wolves, musk oxen, Dall sheep, moose, and hundreds of thousands of birds—snow geese, tundra swans, black brant, and more. In all, about 165 species use the coastal plain. It is an area of intense wildlife activity. Animals give birth, nurse and feed their young, and set about the critical business of fueling up for winters of unspeakable severity.

Addressing my second concern—that the revenue raised from drilling in this wilderness area will not result in such a significant amount of money that it couldn't be found elsewhere—let me say that the estimated revenue is only two-tenths of 1 percent of the total savings.

And that's why I'm here today, to offer an amendment that will prohibit the leasing of the coastal plain of ANWR to pay for deficit reduction and to recommend that we pay for the loss in revenue with an offset that would come from taxing millionaire ex-patriots. I don't think there's any question that the small number of wealthy individuals who choose to renounce or relinquish their citizenship for the purpose of avoiding taxes—or any other reason—are still responsible to pay taxes on the estate, income, trust and gift revenue they received while still Americans.

My amendment to prohibit the sale of leases for oil and gas development in the coastal plain of ANWR is revenue neutral. The revenue loss of $2.3 billion over 7 years is fully offset by closing tax loopholes that have been used by wealthy Americans who renounce their citizenship.

My amendment is consistent with the current law—with the dictates of Congress—law that prohibits oil and gas drilling in the coastal plain of ANWR. It is also consistent with agreements that we have made with Canada to preserve and protect this wilderness area, especially the habitat and culture of the native people who live in the area.

My amendment prevents oil and gas leasing in the coastal plain of ANWR without hearings in Congress. It does not preclude future development of this area, but only prevents Congress from using these savings from oil and gas leasing in the current budget process.

The coastal plain—where the oil and gas leasing would occur is the biological heart and the center of wildlife activity in the refuge. It is a critical part of our Nation's preeminent wilderness and would be destroyed by oil development.

There are those who may think the northern coast of Alaska is too remote for us to worry about. I urge them to read the CONGRESSIONAL RECORDS from the 1870's. The men who initially urged the Congress to protect a place called Yellowstone were subject to ridicule. Why, critics asked, should we forgo the opportunity to dig up minerals from the area? It's a remote place, and few Americans will ever venture there.

Today, as we wrestle with America's future, let's be as far-sighted as that Congress eventually proved to be. Let's not cash in a unique piece of America for a brief, hoped-for rush of oil. Let's protect the coastal plain of the Arctic National Wildlife Refuge—forever.

Mr. President, this amendment will not allow revenues to be used in this budget that are supposed to come from doing something that Congress has not allowed.

This is how it should be done. My amendment accomplishes this purpose. And I encourage my colleagues to support this important effort.

Mr. DOMENICI. I yield one 1 minute to the Senator from Alaska.

The PRESIDING OFFICER. The Chair recognizes the Senator from Alaska.

Mr. STEVENS. Mr. President, the basic concept of this resolution is that it assumes no increase in revenue. Senator ROTH's amendment is one of the first to assume increased taxes. It is a tax increase. His amendment will require an increase in revenue because it takes out the revenue that would be generated by leasing 1.5 million acres of the North Slope. It is not wilderness. It has never been wilderness. It is the largest potential area of oil and gas production in the United States.

I oppose this amendment. The audacity of those that would keep that blocked up. They are leading to the concept where we are now purchasing 55 percent of our oil from overseas, roughly $70 billion a year, because we are not producing oil from our own public lands.

I want to respond to suggestions that the coastal plain Congress set aside in 1980 within the Arctic National Wildlife Refuge for a study of its oil and gas potential is wilderness. This land is not wilderness. Congress has not declared it wilderness. Congress set this area aside to study the oil potential of this area, the potential which we now wish to develop.

Mr. President, in 1980, Congress withdrew 19 million acres in northeast Alaska to establish the Arctic National Wildlife Refuge, an acreage that equals the entire State of Maine. Of that, Congress designated as wilderness 8 million acres, an acreage exceeding the combined area of the States of New Jersey and Connecticut. Congress designated the other 11 million acres non-wilderness refuge lands. At that time, Congress also set aside 1.5 million acres within the non-wilderness area of the Arctic National Wildlife Refuge to study them for oil potential. It is this area which we want to develop, not wilderness within the Refuge.

I also want to respond to the suggestion of some Members and people outside this body continue to argue that this 1.5 million acre set-aside represents the only, or the last, great wilderness. This is just not so. Alaska, which has been singled out among all the states, is full of lands that have been given a wilderness designation by Congress. Alaska, in fact, with over 56 million acres of wilderness, has 64 percent of all wilderness acreage in the United States. This is an area larger than the States of North Carolina and South Carolina combined. In the Arctic of Alaska, there are 21.2 million acres of wilderness, an area larger than the States of Vermont, New Hampshire, Connecticut, and Rhode Island.

In 1991, Alaska had over 57.5 million acres of wilderness. Compare this with the State with the next greatest amount of wilderness—California—which had, in 1991, less than 6 million acres of wilderness. Compare this also with the fact that Connecticut, Delaware, Iowa, Kansas, Maryland, Rhode Island, and the District of Columbia have no wilderness.

Within Alaska, we have individual wilderness areas larger than some other States. For example, Gates of the Arctic National Park, which at 8.4 million acres, is twice the size of New Jersey, contains 7.1 million acres of wilderness—an area 6 times the size of Delaware. Within the Arctic National Wildlife Refuge, too, there are 8 million acres of wilderness, an area the size of Massachusetts and Delaware combined.

But this area should not be confused with the 1.5 million acres that we are discussing today for development of its oil potential. In section 1002 of the Alaska National Interest Lands Conservation Act of 1980, Congress set this area aside and required Interior to report on the resources and oil potential in this area for the future.

Interior conducted seismic studies of the area and concluded that there is a 46-percent chance of discovering commercial quantities of oil. It estimated that there may be as much as 9.2 billion barrels of oil in the coastal plain—which would make it the largest remaining oil reserve in North America. To give some perspective of how much oil that is, 10 billion barrels have been pumped out of the Prudhoe Bay field—and it has been supplying 25 percent of this country's domestic oil need since the late 70's.

Some have argued that oil and gas development would destroy the wildlife in the area. The same arguments were made when Congress considered the Trans Alaska Pipeline Authorization bill in 1973. But the facts prove otherwise. Since oil and gas was developed at Prudhoe Bay, the caribou population in the area has skyrocketed, increasing by a whopping 600 percent. Likewise, populations of musk oxen, waterfowl, and polar bear have either remained stable or increased. In fact, with modern drilling technology, only 5,000 to 7,000 acres—roughly one-half of one percent—of the 1.5 million acres in the coastal plain area would be impacted by roads, structures, or other development activities.

I urge you to let Alaska's oil resources go to work to reduce the budget deficit, increase domestic oil production, and create jobs. I urge you not to be swayed by inaccurate statements about the ''1002 area'' on the Arctic coastal plain—inaccurate statements about its wilderness designation or its importance as the last great wilderness. Congress set aside this area to be studied for development of oil, and we need to do it today for the future of this country's needs for energy and jobs.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. Mr. President, at this time, I yield 2 minutes to the Senator from Ohio, followed by 2 minutes to the Senator from Virginia, followed by 2 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Chair recognizes the Senator from Ohio.

Mr. GLENN. Mr. President, I thank the floor manager of the bill.

Mr. President, do I have a bargain for the U.S. Senate. This is the best deal you are going to get all day, I think. For every dollar spent, you are going to get $5 back and no new taxes. How do we do that? Sounds like blue smoke and mirrors, but it is not.

Mr. President, this amendment makes sure that we do not jeopardize more than $9 billion in deficit reduction. I am pleased to be joined in this amendment by my good friend from Illinois, Senator SIMON.

Let me stress that there are a number of things about this budget resolution I support, not the least of which is its strong approach to reducing the deficit and controlling the costs of Government. And while I disagree with many of the priorities chosen by the chairman of the Budget Committee, I commend his commitment and perseverance in seeking to balance the budget so that we can leave our children and grandchildren a legacy of hope, rather than debt.

Mr. President, I believe the amendment I am offering today furthers that goal by preserving the antifraud compliance initiative of the Internal Revenue Service which will bring in almost $5 for every $1 we spend.

Currently $164.3 billion in unpaid taxes are owed to the Government. Much of that is not collectible because of defunct corporations, bankruptcy, death or loss of employment. But $30.1 billion of that total is collectible right now. I think that bears repeating: $30.1 billion is rightfully owed to the Government and is collectible right now.

That is where the compliance initiative comes in. Last year, with bipartisan support, the Congress approved and funded the compliance initiative to collect this debt and it is projected that $9.2 billion will be collected over the next 5 years. I think that is a conservative estimate, I am happy to report that collections are ahead of schedule. In the first quarter of the initiative alone, $101 million has been collected—money that will reduce the deficit which is what the budget resolution before us is all about.

Mr. President, the first quarter results are laid out for all to see in this report which I ask unanimous consent to be printed in the RECORD.

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

STATUS OF ACCOUNTS RECEIVABLE

Currently, gross accounts receivable are $164.3 billion. Included in that amount are an active accounts receivable inventory and a currently uncollectible portion.

As of March 1995 the active portion of the accounts receivable inventory was $81.4 billion; $30.1 billion of the $81.4 is the net collectible portion of these receivables—this is the part we can collect right now.

The remaining $51.1 billion of the $81.1 is the allowance for doubtful accounts (ADA) of the uncollectible portion—the part most likely to be written off.

Some of the reasons why these receivables will not be collected are: defunct corporations; taxpayers who have died, or suffered such other personal hardship as serious illness or loss of employment; bankrupt businesses; inability to locate taxpayers, and abatements due to IRS and taxpayer errors.

The portion of our receivables in currently uncollectible status is $82.9 billion. A large portion of this amount is accrued penalties and interest. This category represents accounts not included in the active portion because a collection employee has determined a taxpayer cannot currently pay owed taxes. There is a likelihood that some portion of the amount owed could still be collected in the future.

In FY 94 alone, the IRS collected $1.2 trillion in net tax receipts. Also in FY 94, the active accounts receivables increased 7 percent ($5.1 billion), the smallest growth in active accounts receivable in 4 years.

Mr. GLENN. Mr. President, this bipartisan antifraud program was placed outside the discretionary spending caps for a very simple reason: the Budget Enforcement Act precludes scoring revenue gains from these kinds of compliance activities.

Unfortunately, language placed in this year's budget resolution shifts the initiative back within the caps. That will have the effect of penalizing the initiative—and its substantial revenue gains—in the appropriations process, since it forces appropriators to consider the initiative's costs without allowing them to account for its much greater revenue gains.

This would likely lead to deep cuts, or even the abandonment, of an initiative that brings almost five times what we spend on it. Those cuts would show up as short-term savings of $2 billion to the Treasury. But it would ultimately lead to a net loss of at lest $9.2 billion over 5 years. This is shortsighted, and it's bad business.

Mr. President, that is why members of both parties chose to remove the compliance initiative from the caps last year. It is why the House budget resolution continues that structure. This is not a partisan issue. When it came up before the Senate Budget Committee, my colleague from Missouri, Senator BOND, voted to keep the initiative outside the caps. It is a sound business investment.

But Mr. President, the compliance initiative is not only about bringing in revenue properly owed the Government, it is also about fairness. I know that some view the IRS as an easy target because of public animosity toward the agency. Of course, no one enjoys paying taxes. But what really burns people up is to feel that they are paying their taxes while others are getting off scot-free.

I have talked with countless Ohioans who tell me that they diligently fill out their tax forms, go through all of the hassles with our all-to-complicated Tax Code, send in their payments, only to then hear about those who are getting away with falsifying their returns or submitting none at all. Or corporations that have developed tax schemes to walk away from their liability while everyone else picks up the tab. It is infuriating. Alot of people may not like the IRS, but I will guarantee you they like tax cheats a lot less.

Well, if our amendment fails tax cheats everywhere can rest easy. Quite simply, by putting the compliance initiative under the spending caps, the budget resolution could force the IRS to abandon this important initiative which not only generates revenue, but also assures honest Americans that others are also going to be paying their fair share. This notion of fairness is the underlying principle behind the Tax Code.

Eliminating the compliance initiative not only cuts revenue to the Treasury by more than $9 billion, even worse, it undermines confidence in our Tax Code by signalling to Americans that the Senate believes in double standards, that there are rules for hard-working Americans who pay their taxes, and no rules for people who don't. More effective compliance sends the right message: that there are no double standards when it comes to tax fairness. Everyone must pay their fair share, and we will enforce the laws against those who don't.

Mr. President, I would urge my colleagues to recall that this entire issue was settled last year. The Senate and the House both approved and funded the IRS compliance initiative, and the IRS has since done its part. The IRS is already ahead of schedule in collecting the taxes targeted for this year, and that's before most of the new compliance employees are even fully trained.

Now, I have heard that some Senators share my view that the compliance initiative makes a lot of sense, but think that, to avoid smoke and mirrors, it belongs on budget. In other words, they say that if the IRS and the administration think this is so important, they should fund the Initiative within the caps. That is a reasonable notion that in years past might have worked, and I probably would have agreed with them.

However, as we all know, our efforts to eliminate the deficit have necessitated that funds available in previous years simply don't exist any longer. But this initiative was developed to assist in that effort—to help reduce the deficit. That is why the current structure was established. We all want to collect delinquent taxes, and a $5 return for every dollar spent is a wise investment by any standard.

I would argue, in fact, that those Senators who support the compliance initiative but insist on placing it under the caps are perhaps the ones engaging in smoke and mirrors. These Senators get to say that they support compliance, while knowing full well that under the caps there is no money to pay for it. Unfortunately, the only ones who stand to gain are dishonest people and corporations who are not willing to pay their fair share. They mock the honest American taxpayer. And who are the losers, the American taxpayer who has to pick up the tab, the Federal treasury which will lose more than $9 billion, and the big loser—deficit reduction.

Senator SIMON and I want no part of an effort that so flies in the face of rationality. The amendment that we have introduced strikes that part of the budget resolution which requires that the compliance initiative be funded on budget. The affect of the amendment would simply be to return the compliance initiative to its off-budget status, where the Congress put it last year, and where it has been working to bring in delinquent taxes ever since.

Mr. President, I would urge by colleagues to support this amendment, so that we can get on with the task of deficit reduction.

I ask unanimous consent that a summary of the IRS compliance initiative be printed in the RECORD.

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

IRS COMPLIANCE INITIATIVE

NEED FOR COMPLIANCE INITIATIVE

Last year, Congress approved a $405 million annual investment to collect an additional $9.2 billion to reduce the deficit over five years.

The structure under which the Compliance Initiative was originally approved has provided the Congress and the IRS the flexibility to meet budgetary objectives, while at the same time strengthen compliance.

IRS COMPLIANCE INITIATIVE IS WORKING

Early results show that IRS will meet or exceed the goal of generating the additional $9.2 billion. Through the first quarter of FY 1995, the initiative has generated an additional $101 million, 31% of the FY 1995 commitment. The payoff in later years will be higher when the new people become fully productive.

Initiative results are being tracked. A new system for tracking this initiative and related revenues raised by it was developed by the IRS and accepted by GAO. The First Quarter Report was delivered to Congress, on schedule, on March 31.

CUTTING THE INITIATIVE WOULD INCREASE THE DEFICIT

Congress is working hard to shrink government costs. With regard to the initiative, however, for every appropriated dollar ''saved'', tax revenues are reduced by nearly five dollars. Elimination of the five-year initiative commitment for FY 1996 and beyond would dramatically hinder the IRS' ability to address significant areas of noncompliance that the Congress has urged it to focus on—boosting examination coverage, reducing accounts receivable, and curbing filing fraud.

Further, only $300 million in additional revenues will have been realized, sacrificing $8.9 billion that will be achieved in FY 1996–

1999, and an additional $2.1 billion in years past FY 1999.

And this revenue loss relates only to direct revenues—the Service's enforcement activities also encourage voluntary compliance. Every one percent increase in voluntary compliance increases tax revenues by $10 billion annually.

ELIMINATING THE INITIATIVE SERIOUSLY DAMAGES COLLECTIONS

IRS has put in place a long range hiring and training plan. By the end of May, over 5,000 people will have been hired or redeployed to compliance jobs as part of this initiative. These employees are collecting taxes already due, which if not collected, increase the burden on those taxpayers who voluntarily meet their tax obligations.

Elimination of the Initiative would require IRS to immediately institute a hiring freeze and in FY 1996 furlough the approximately 70,000 Compliance employees for up to 17 days to reduce expenditures by $405 million. In FY 1997, either further furloughs or a reduction in force would be necessary to reduce employment. Attrition alone would not be sufficient to get to lower staffing levels.

SAFEGUARDING TAXPAYER RIGHTS

As tax administrators, one of the IRS' most important responsibilities is to ensure that taxpayers are treated fairly, courteously and with respect. The IRS is committed to respecting the rights of all taxpayers.

In the last several years, the IRS has taken many steps administratively to safeguard taxpayer rights. And IRS is working with the Congress on proposed legislative changes that would further enhance safeguards.

The commitment to taxpayer rights will continue to drive IRS' work with regard to the compliance initiative and, in fact, *all* of the IRS' efforts.

U.S. SENATE,
Washington, DC, May 22, 1995.

DEAR COLLEAGUE: We are writing to inform you about an important issue in the Senate Budget Resolution which, if left unchanged, could cost the government and the American people more than $9 billion in deficit reduction.

Last year, with bipartisan support, the Congress approved and funded the IRS Compliance Initiative to collect over $9.2 billion in unpaid taxes to reduce the deficit. And it has been a real success—for every dollar we invest in this program we will receive nearly five dollars in return.

Last year's budget resolution placed the Compliance Initiative outside the discretionary caps for a very simple reason: The Budget Enforcement Act precludes scoring revenue gains resulting from these kinds of compliance activities. However, language placed in this year's budget resolution shifts the initiative back within the discretionary caps. That will have the effect of penalizing the initiative in the appropriations process, since it will force appropriators to consider the initiative's costs without allowing them to account for its much greater revenue gains.

As a result, this year's budget resolution will likely lead to deep cuts in the Compliance Initiative, or even force the IRS to abandon the initiative entirely. Those cuts would show up as a short-term savings of $2 billion to the Treasury. But it would ultimately result in a net loss of $9.2 billion over 5 years (and up to $11.3 billion including the out years). Such short-sightedness would not be tolerated in the private sector, and it should be rejected by the U.S. Senate, as well.

During floor debate on the Budget Resolution, we will offer an amendment to strike the proposed language on the Compliance Initiative budget structure, so that we can continue to reduce the deficit as Congress intended last year. We urge you to support his amendment. Please have your staff contact John Haseley with Senator Glenn (4–1519) or Aaron Rappaport with Senator Simon (4–5573), with any questions.

Sincerely,

JOHN GLENN.
PAUL SIMON.

I urge support for this amendment. I will submit it at the appropriate time. I thank the Chair.

The PRESIDING OFFICER. The time of the Senator has expired. The Senator from Virginia is recognized for 2 minutes.

Mr. ROBB. Thank you, Mr. President. I thank the managers of the bill.

Mr. DOMENICI. Did I yield the Senator time, or did the Senator from Nebraska yield time?

Mr. ROBB. The time was yielded by the Senator from Nebraska.

Mr. DOMENICI. Can I yield it so the Senator from Nebraska has time left? How much time does the Senator from Virginia want, 3 or 4 minutes?

Mr. ROBB. Two minutes will be adequate.

Mr. DOMENICI. I yield 2 minutes to Senator ROBB.

FAIR SHARE

Mr. ROBB. Mr. President, I rise in support of the fair share amendment that was offered by the Senator from North Dakota, Senator CONRAD. I, with a number of other Senators, worked with him to try to develop an alternative to the budget resolution that is on the floor. I continue to accord to Senator DOMENICI and others credit for moving us in the right direction.

Their amendment, if you include the $113 billion of Social Security trust funds, would come to balance under that math by the year 2002. This amendment comes by the year 2004 and gives us true balance without using the trust funds.

There are some very difficult choices still ahead of us. We are talking about budget resolutions and not budgets. When we get down to the hard work of the authorizing and appropriating, we are going to have to be making some very, very painful and difficult choices. This particular approach, in my judgment, spreads that burden more equitably and more fairly. Hence, I am very much in favor of it.

I, again, commend the Senator from New Mexico for his leadership and I, like some of the other folks on this side of the aisle, may end up even voting for the final version, even if this particular distribution fails, because I think it is important that we make the statement about the seriousness of our intent to move toward true deficit reduction, and we can continue to disagree about some of the details.

With that, I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Connecticut for 2 minutes.

Mr. LIEBERMAN. Mr. President, I rise to speak in favor of the amendment offered by the Senator from North Dakota [Mr. CONRAD], the one on the fair share budget; and the one offered by the Senator from Delaware [Mr. ROTH] on the Arctic National Wildlife Refuge.

ARCTIC NATIONAL WILDLIFE REFUGE AMENDMENT

Mr. LIEBERMAN. Mr. President, I am pleased to be an original cosponsor of Senator ROTH's amendment to protect the Arctic National Wildlife Refuge from oil and gas development. The budget resolution before us directs the Energy Committee to authorize the lease of 1.5 million acres of this internationally significant refuge to oil companies. If this happens, it will virtually destroy one of the world's crown jewels of nature for a small supply of oil. Yet, only last week in Senate debate, oil from wilderness areas of Alaska's North Slope was characterized as a surplus that should be made available for export. Clearly, oil from the Arctic National Wildlife Refuge is not a vital energy need for the United States.

The social and environmental cost of developing the refuge would be huge. It would severely impact major calving grounds and disrupt migration for one of the largest caribou herds on Earth. The Porcupine herd, estimated recently at over 152,000 caribou, uses the coastal plain of this refuge where development is targeted, to raise their calves and prepare for the incredibly harsh winter migration. It is one of the few areas hospitable enough for calving and summer habitation. The Canadian government provided permanent protection for their portion of this habitat in recognition of its importance and highly threatened status.

Development of this refuge will eliminate a significant amount of habitat for other wildlife, including denning and feeding areas for polar bears and Arctic wolves. Forty three percent of all polar bear dens in and around the refuge occur in this area. It will destroy a major habitat of musk oxen, and threaten staging grounds for millions of migratory birds. It has the potential to contaminate water supplies for vast areas of wilderness so pristine that they define the very term itself. It will degrade one of the last scrapes of Arctic wilderness with each of the elements of the Arctic North Slope ecosystem preserved intact. Ninety percent of this system is already open to oil and gas development. Without question, oil development will result in major environmental damages to this unique wilderness.

It also has the potential to destroy the economic and social basis for Indian cultures that have depended on these herds for thousands of years. We know them as the Gwich'in, the Inuvialuit, the Aklavik and others. We have heard their songs of the caribou. They remind us of Native Americans who once followed vast herds of bison on the Great Plains, and sang to their future as well. In the words of these Alaskan Natives, ''Our Arctic way of

life has endured for 20,000 years. Why should it die now for 6 months of oil?''

As a result of Senate action to lift the oil export ban last week, it is no longer clear whose 6-month supply of oil this might be. Repeatedly, we were told during Senate debate that a glut of North Slope oil exists. So much so, that we need to export this surplus to more profitable locations, such as Japan. Oil from the refuge, in all probability, will not fill American gas pumps. Therefore, the whole energy independence rationale for drilling in the Arctic National Wildlife Refuge is now clearly without any foundation. We would be drilling for oil company profits, not energy independence. In the process, we will deplete our domestic oil reserves and destroy one of our most valuable environmental assets. I think this is a very bad tradeoff, and I think most Americans will agree.

The plan to develop the refuge is a bad idea for another very big reason: it doesn't make budget sense. Senator ROTH offers a replacement offset that more than covers the projected revenues from oil leases, the closure of the tax break for expatriate millionaires. This tax break is for people who renounce their U.S. citizenship to shield their enormous wealth from the taxes every hard-working American must pay. It should not be preserved at the expense of the Arctic National Wildlife Refuge or any other significant resource of this Nation.

The deficit reduction value of the proposed Arctic National Wildlife Refuge lease is clouded by several unresolved issues. First, the $1.4 billion figure scored by CBO assumes a 50-percent State share, even though State law calls for a 90-percent share. Second, there are uncertainties about the ownership of submerged lands within the refuge. If it is determined that these lands belong to Alaska, it reduces the lease value of the refuge further. Third, the most recent offshore State lease near the refuge yielded only $48.41 per acre, compared to the estimated $1,533.00 per acre assumed by CBO—a huge discrepancy. Finally, the budget process itself is simply the wrong place to authorize major, irreversible actions of this kind because it limits normal debate, testimony, and public input.

The current budget rule on public asset sales, which this budget resolution seeks to change, prohibits the scoring of these sales for deficit reduction for good reason. It was created in 1985 during the Gramm-Rudman-Hollings Act to avoid bogus, shortsighted asset sales in the name of deficit reduction. Nothing has changed to reduce the need for this rule today as we debate the fate of the Arctic National Wildlife Refuge.

Much has been said since last November about the views of the American people on protecting the environment. So often we hear the presumption that Americans care less. But, this past week a national poll by ABC and the Washington Post found quite the opposite, as has every national poll since the election. Seventy percent of Americans feel the Federal Government has not done enough to protect the environment. In the case of the Arctic National Wildlife Refuge and many other treasured public lands across this Nation, I can only agree. We should not transfer public refuges, parks, forests or energy reserves without extensive hearings, informed testimony, and debate, particularly when they are so near and dear to the American people.

I want read a few words from some of the many letters I have received urging me to protect the Arctic National Wildlife Refuge:

The Ambassador of Canada, Mr. Raymond Chretien, wrote:

> Canada believes that opening the Arctic Refuge to oil and gas development will lead to major disruptions in the sensitive calving grounds and will affect migratory patterns of the Porcupine Caribou Herd on which thousands of Canadian and American Aboriginal people depend.
>
> In signing the 1987 Canada-United States Agreement on the Conservation of the Porcupine Caribou Herd, the United States and Canada both recognized the transboundary nature of these wildlife resources and our joint responsibility for protecting them.
>
> In 1984, Canada gave wilderness protection to its portion of the caribou calving grounds by creating the Northern Yukon National Park. The critical calving grounds in the United States, however, do not have formal protection and remain vulnerable to development, as evidenced by the recent budgetary proposals.
>
> Canada believes that the best way to ensure the future of the shared wildlife population of the Arctic Coastal Plain is to designate the ''1002'' lands as wilderness, thereby providing equal protection on both sides of this border to this irreplaceable living resource.

Gwich'in Tribe, Renewable Resource Board, Mr. Robert Charlie, wrote:

> Opening up the Arctic Refuge to (oil and gas) development would have a drastic negative impact on the Porcupine Caribou Herd which calves in the area. In turn, the decline of the herd would devastate the aboriginal cultures in Yukon and Northwest Territories which rely on caribou for cultural and economic survival . . .
>
> Both President Clinton and Prime Minister Chretien oppose drilling in the refuge.
>
> Oil development is opposed by all First Nations in Canada and Alaska, with exception of the Inupiat who have financial interests there.
>
> The calving grounds in the ''1002'' lands are recognized by the International Porcupine Caribou Board as the most sensitive habitat of the herd.
>
> A study released last week by the Alaska Department of Fish and Game links the drop in growth rate of the Central Arctic Herd at Prudhoe Bay to eviction of cows and calves by oil development.
>
> Other department reports in preparation collaborate on the negative impacts of development on caribou calving.

Wildlife Management Advisory Council of the North Slope, Mr. Lindsay Staples, wrote:

> Allowing oil development in the Arctic Refuge would severely impact on the Porcupine Caribou herd. A decline in the herd would mean social and economic ruin for the indigenous peoples who rely on the herd. The Inuvialuit of Aklavik, Northwest Territories are among those whose lifestyle and culture would be at risk.

President Jimmy Carter, op-ed to the New York Times, wrote:

> The new Congress must be reawakened to protecting the interests of all Americans by protecting public lands in Alaska. For what is at stake is an unparalleled system of Federal reserves protecting wildlife, fish and wilderness. Polar bears, musk ox, wolves and a herd of 150,000 caribou roam the remote Coastal Plain of the Arctic National Wildlife Refuge in the far north—a place often called ''America's Serengeti . . .
>
> November's election was not a mandate to damage Alaska's environmental treasures. Poll after poll has shown that the American people remain fully committed to the protection that makes the unspoiled reaches of our Nation the envy of the world.

Mr. President, I believe it is essential for this Nation to balance its budget. I salute the budget committee for taking bold and concrete steps to reach this goal. This is a very difficult, complicated task that requires sacrifice by all of us. I believe Senator ROTH's amendment provides a better way to reach this goal than the proposed development of the Arctic National Wildlife Refuge. It trades something we do not need, a tax break for rich people who do not care about our country enough to maintain their citizenship, for something we do need and are willing to take care of, one of or most precious natural resources.

In 1991, I was 1 of 44 Senators who voted against a motion to proceed with an energy bill that contained a plan to develop oil on this refuge. Today, we must renew this commitment to safeguarding this national treasure. We must continue our stewardship of our natural resources and natural heritage. I ask all my colleagues on both sides of the aisle to join Senator ROTH, me and the many other Senators supporting this amendment today. We may not have a second chance.

TECHNOLOGY RESEARCH AND TRAINING

Mr. LIEBERMAN. Mr. President, I wanted to speak briefly on the amendment I am pleased to cosponsor with Senators BINGAMAN and ROCKEFELLER on technology research and training.

The Federal Government, since the Second World War, by its investments in research and support of technology, has really driven this economy. This budget begins to dismantle the apparatus that has created so much wealth, growth, and jobs, and we desperately need to compete in the world today. It is the beginning of kind of an economic disarmament as the world becomes more competitive. In this budget, while other nations are increasing their relative investment in research and development and training and technology, we actually decrease the investment that America is making.

In Japan and Germany, and other industrialized nations, the investments that are made in research and training and technology are beyond partisan and political debate. They stand up there with national defense. Those

folks in Japan and Germany are probably the ones who will not only find this debate shocking but will get a big laugh out of the fact that we are cutting some of these programs.

The Commerce Department, the agency that has finally brought together our effort to take the research from the laboratories, convert it into technologies that create jobs and then have an aggressive export promotion program that sells those products abroad is actually being dismantled in the budget before us.

While I support the bottom line that the budget achieves, these are the wrong priorities, and I hope through the sense of the Senate that we will express our support for different priorities.

I find it ironic that the budget resolution, by cutting critical investments in science, technology and trade, depletes future sources of revenues for the national budget, and ultimately weakens our economy rather than strengthens it. In trying to save dollars today, we are throwing away the investments with the biggest payoffs tomorrow. We are stealing from our own pockets tomorrow, and from our children to pay for budget cuts today. The strategy simply makes no sense.

Research and development, applied research, export promotion, and trade law enforcement. These efforts are the fuel of our economy. Traditionally, the Government has played an important role in stoking our economic furnace with selected, well-defined R&D programs that stimulate the economy and protect and promote our interests abroad. They have been a critical engine for economic growth in the United States and are one of its major competitive advantages. The budget resolution's deep cuts into research and development have the potential to devastate our research institutions, institutions that have international reputations for excellence. These institutions spawn the new ideas that form the basis for innovation in the marketplace. No major research institution is left unscathed—the Department of Commerce trade and technology programs, the National Institutes of Health, the Department of Energy Labs, NASA, and even the premiere basic research institution, the National Science Foundation. The lack of judgment in cutting these programs is obvious when one notes that the direct return on investment to our economy, from research and development is 30 percent. This figure does not even take into account indirect social benefits from research and development.

Currently, our Federal investment is research and development is 1.1 percent of GDP, split almost evenly between defense and civilian R&D. If we remove the defense component and add on the investment by the private sector, we find that our investment, as a nation, in civilian R&D is 2.1 percent of GDP. We can compare the R&D investment trends in the United States with those of other industrialized nations. Today, we are behind Japan and Germany in this critical factor. This historic pattern relative to Japan and Germany has had a direct impact on our economies. Since the 1950's, our per capita GDP has risen an average of 1.8 percent per year, while in Japan the rate has been 5.2 percent per year, and in Germany, 3.1 percent per year. R&D means new products and new technologies. The correlation between R&D investment and economic growth is real.

While other nations are increasing their relative investment in R&D, the current budget resolution would decrease our R&D investment. It marks a historic reversal in U.S. policy toward science and R&D. By the year 2002, the budget resolution would decrease our Federal investment in R&D by approximately 40 percent. The result would be to decrease our national investment in R&D from 1.1 percent of GDP to 0.68 percent of GDP. Even if other nation's R&D investments remain constant, and do not grow, as is the trend, we fall behind countries like France and the United Kingdom. The lead that Japan and Germany have over us grows substantially. This graph does not consider the multitude of rapidly growing emerging nations, who are rapidly becoming fierce competitors in the global marketplace.

These conservative estimates of the results of the decrease is investment in R&D have major implications for our ability to compete in the global marketplace with products that incorporate the innovations conceived by our R&D efforts. It is not sufficient to just conceive of good ideas. These ideas must become products and then be brought to market, at home and abroad. Our success in the global marketplace is directly reflected in our standard of living and our quality of life. The budget resolution completely dissolves the agency that has been the most effective in technology development and trade promotion, the Department of Commerce, ending its programs in these areas up front.

The effort to get our creative ideas to market, to feed our economy, has had a bipartisan history. Landmark legislation by Senator DOLE and then Senator Bayh led to a Federal initiative in technology transfer from the federal laboratory bench to industry. I applaud the forward-looking, innovative thinking that was pioneered by our current majority leader. The Advanced Technology Program was crafted by congressional leaders on both sides of the aisle during the Bush administration. These programs are leading us into the 21st century, with significant potential for enormous returns on investment. For example, the Manufacturing Extension Program, out of the Department of Commerce, was designed to help some 370,000 small- and medium-sized manufacturers, raise their performance to world standards. This program has returned $8 to the economy for every dollar the Federal Government has invested. These technology programs account for less than 2 percent of total Federal R&D investment but are critical to our ability to capitalize on our innovations. We must not cede to other nations the economic benefits of American ingenuity. Along with the elimination of the Department of Commerce, these programs are either slated for deep cuts or elimination.

Getting our products into markets around the world has been one of the real achievements of the Department of Commerce in recent years. The Department of Commerce has worked aggressively to increase exports. In the last 18 months, the Commerce Department successfully advocated, on behalf of U.S. companies, contracts with a total U.S. export content of $25 billion. In other words, for every dollar spent on the Department of Commerce, $6 have been generated in the economy. Commerce has eliminated unnecessary and outmoded regulations on more than $32 billion in exports, allowing domestic companies the freedom to succeed in overseas markets. And, these accomplishments have been made with the smallest Cabinet budget. The advocacy for U.S. trade will be even more critical in coming years as the global marketplace becomes a larger and larger component of our economy.

There are new international competitiveness issues on our horizon and we will need to be effective and efficient in our responsiveness to the rapidly changing global economy. New markets are emerging in developing countries. Conservative estimates suggest that 60 percent of the growth in world trade will be with these developing countries over the next two decades. During a time when we will need increased emphasis on international trade we are contemplating eliminating the only agency that advocates for American business, in the Cabinet and abroad.

The United States has a large share of imports in big emerging markets. We are doing well, but much of our edge is due to our large share in Latin America. Vigorous efforts are necessary in other parts of the world, particularly Asia, where Japan heavily out-invests the United States. These markets combined, make up the largest component of United States exports, and these markets are growing rapidly. But, with the cuts in the budget resolution, we cannot maintain these efforts. We will forfeit the money they bring into our country. We will lose their impetus to our economy. Instead, we are cutting the most critical programs in the smallest Cabinet budget, in the name of decreasing the deficit. It just does not make sense to cut these revenue producing functions. Cutting these trade functions, and the Department of Commerce, will ultimately increase the deficit, not decrease it. I often lament the nearsightedness of a corporate America forced to focus on the next quarter's

profits. I hate to see my Senate colleagues succumb to a similar narrow focus.

In conclusion, I support this amendment in order to assure that when we cut government spending, which I strongly support, we cut wisely, and we do not cut government investments that build our economy. We must maintain our investments in research, technology and trade promotion to ensure our future economic strength and international competitiveness. This amendment stands for exactly that point.

Mr. President, I ask unanimous consent to print in the RECORD a letter to Senator BINGAMAN from the Institute of Electrical and Electronics Engineers.

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

INSTITUTE OF ELECTRICAL AND ELECTRONICS ENGINEERS, INC.,
Washington, DC, May 24, 1995.

Hon. JEFF BINGAMAN,
U.S. Senate, Senate Hart Building, Washington, DC.

DEAR SENATOR BINGAMAN: As a representative of the Institute of Electrical and Electronics Engineers, Inc., an organization that promotes the career and policy interests of 240,000 U.S. electrical engineers (IEEE–USA), I am compelled to alert you to our unwavering support for the U.S. research and development base. We have become increasingly alarmed at the pace and scope of the rescissions and proposed funding reductions and eliminations of R&D programs that we see as vital to U.S. industry, the economy and our global competitiveness. Estimates of a 30–40% reduction over the next 5 years in Federal support for research and technology development will have a lingering and deleterious effect on our economy.

In the budget resolution recently passed by the House and in the pending Senate counterpart, drastic reductions to R&D programs across the board are assumed. No one will argue against the merits of deficit reduction. A widening national debt has a very draining effect on our economy and our ability to invest wisely for the future. But in our zeal to find ways to cut government spending, programs which are designed to boost our economy and, in turn revenues, are being sacrificed. This short sightedness needs to be short lived before irrevocable harm is done to the U.S. R&D base and jobs are lost.

We at IEEE–USA are very glad to learn of your intention to offer an amendment to S. Con. Res. 13, the Senate Budget Resolution, to express a sense of the Senate that research, technology and trade promotion are vital to the future of the U.S. economy. Research programs are vulnerable because they do not always have the visibility of many other government programs and therefore are easy targets for budget cutters. Your amendment reminds the whole Congress of the importance of research and technology and hopefully will urge the budget cutters and appropriators to use extreme caution before haphazardly cutting or eliminating needed programs.

The IEEE–USA supports your amendment and commends you for your leadership on this issue and stands ready to assist you and your staff in this effort. Please contact Jim Anton of the Washington staff for further information or support at 202–785–0017.

Sincerely,

JOEL B. SNYDER, P.E.,
Vice President, Professional Activities and Chair, U.S. Activities Board.

I thank the Chair, and I yield the floor.

Mr. ROCKEFELLER. Mr. President, I rise to, in the strongest terms, support this amendment which I am pleased to cosponsor. I congratulate the Senator from New Mexico, Mr. BINGAMAN, for his continued leadership on behalf of the Nation's economic needs and potential, and join Senator LIEBERMAN in helping to make this case to our colleagues.

The proposal to eliminate the U.S. Department of Commerce is incredibly short-sighted and will be extremely harmful to the competitive position of the United States. The Commerce Department's responsibility for trade enforcement, export promotion, manufacturing, and technology is a focused mission for American jobs and growth, and quite simply, its elimination is tantamount to economic surrender.

To begin with, the Commerce Department acts as the cop on the beat, enforcing U.S. trade laws against internationally recognized unfair trading practices. Domestic industry is a huge fan of the Department's Import Administration, and a move to eliminate it, or roll it into another agency with a very different mandate, is only going to be red meat for our competitors. I know this from painful experience. Those of us who represent industries such as steel have seen what unfair trade, dumping and subsidized imports, can mean to local economies and our Nation's overall economy. The Import Administration does yeomen's work enforcing our domestic trade laws—which look out for American businesses and American jobs—and to move it somewhere else is not only thoughtless, it is dangerous.

Mr. President, I will not sit by while the one agency that is looking out for American business, at home and abroad, is dismantled for political gain. The Department of Commerce's trade promotion arm is the matchmaker for thousands of businesses promoting products made in the United States—by American workers—in markets all over the world. I speak from experience here. In January, I led a trade mission of West Virginia businesses to Japan and Taiwan, we called it Project Harvest because that is what we were trying to do, sow the seeds of relationships that would reap tangible benefits for small and large West Virginia companies and their workers. In all this we worked closely with the Department of Commerce's Foreign Commercial Service, and in less than 6 months, these companies have already secured millions of dollars' worth of contracts.

I know what my friends across the aisle are saying about their so-called mandate, but I challenge any one of them to tell me that they have one company in their State such as Precision Samplers, that want to see the Department of Commerce eliminated. As a result of our trade mission, and with the help of the Department of Commerce, Precision Samplers has already signed contracts worth half a million dollars. And the list doesn't end there, West Virginia companies such as the Dean Co., and FCX Systems and Precision Coil have all signed lucrative contracts since our trade mission, and a big thanks goes to the experts at the Department of Commerce who helped make these deals happen. Small companies such as these owe a great deal to Department of Commerce export promotion programs, and I doubt they would want to see that support network eliminated.

I also want to make a special note of the role played by the Bureau of Export Administration [BXA]. BXA evaluates national security interests when American companies seek applications for the export of dual use goods and technology; those are products that could have military applications. There are a lot of things that need to be considered in these applications, but as a Commerce entity, BXA has longstanding close relations with exporters and the business community that other agencies simply don't have. However, BXA has to work with all those other agencies in making its evaluations. Export licensing has foreign policy implications, so involves the State Department; it has national security implications, so works with DOD; it has to clear the sale of nuclear equipment that DOE is expert in, or other things that the Arms Control and Disarmament Agency has a role to play. And BXA coordinates all this while always looking out for the needs of American businesses.

We need to maintain an umbrella organization that looks out for America's business interests at home and across the globe. Creating a Department of Trade would be better than breaking up all the trade functions of the Department of Commerce and moving them all over the Government, to Justice, DOD, Treasury, the ITC, USTR, wherever. But why reinvent the wheel? The Department of Commerce works. This idea of making a Department of Trade or expanding USTR is merely moving around the deck chairs. And maybe it is even worse. This particular ship is standing tall and sailing true. Breaking it down and moving it around is a bad idea.

I also want to discuss a related set of proposed cuts—support for new breakthrough technologies. It is an astounding proposal, and one that shows how soon some forget what it takes for America to win in the new global economy.

We should remember the lessons of the 1970's and early 1980's. During those years, America led in science and new ideas, only to see American inventions such as the VCR commercialized first by other countries. Other governments

have long used research consortia and other aid to help their firms overcome the technical hurdles associated with critical but risky new ideas. And time after time, we found our competitors taking our ideas and sending them back to us in the form of VCRs and other new products.

Over the past 10 years, both American industry and the U.S. Government have taken steps to make sure Americans profit more from our new inventions and discoveries. Industry and the venture capital industry have focused their attention sharply on getting the next generation of products out the door. Both competitive pressures and Wall Street's push for short-term results have led our firms to focus their limited R&D dollars on developing new products. That is good in the short term, but it also means that even our largest firms have been forced to cut longer-term research that is essential for the future but which will not pay off for 10 years.

In the real world, as opposed to some theoretical world, American companies—both large and small—increasingly have turned to cost-shared projects with the Government and each other to develop these risky but vital longer-term technologies. These are the breakthrough technologies that will create new industries and jobs in the future—technologies such as next-generation electronics, low-cost composite materials for bridges and other structures, low-cost but highly reliable processes for making biotechnology products, and advanced techniques for computer-aided manufacturing. Cost-shared projects in such areas create the new seed corn for a new generation of American industry.

At the Federal level, these cost-shared technology partnerships with industry now constitute less than 3 percent of the Government's $72 billion annual R&D budget. The entire budget of the Government's civilian technology agency—the Commerce Department's National Institute of Standards and Technology, NIST—constitutes little more than 1 percent of Federal R&D. With the cold war over and the world economic race in full swing, this is hardly overspending.

And mark my words, other nations will not drop out of the world economic race just because Congress has thrown in the towel in the fight to help develop and market leading edge technologies. Along with Japan and Europe, we now see major new industry-government technology investments in South Korea, Taiwan, and even smaller states such as Singapore. In the real world, these countries are out to clean our clocks—and they want to use America's own university discoveries and entrepreneurial ideas to do it.

The United States has just now climbed back to a solid, but fragile, lead in most key technologies. Well-run, cost-shared Government programs have played an important role in helping American industry regain that lead. But we now combine government cutbacks with ever increasing Wall Street pressures for companies to focus their own funds only on the short term, then we will most certainly fall behind again. And the American worker and the American dream will be the losers.

Killing Federal technology programs, including those of the Commerce Department, will send our companies into economic battle with second-rate support and one arm tied behind their backs. It is a prescription for economic retreat and economic stagnation. In the name of some ideology, we risk destroying key foundations of future prosperity. And future generations will wonder why the Nation that used industry-government R&D cooperation to create the modern agriculture, aircraft, and biotechnology sectors abandoned a proven formula and let other nations walk all over us.

Which brings me back to the amendment and the Department of Commerce. This amendment is quite simple, it states that ''the public welfare, economy, and national security of the United States have benefitted enormously from the investment the Federal Government has made over the past fifty years in research, technology, and trade promotion and trade law enforcement,'' and that these should remain a national priority for the 21st century.

Again, Mr. President, the elimination of an agency of Government so vital to our Nation's interests is tantamount to economic surrender. I think our international competitors will see it as just that. In my view, proposals to eliminate the Department of Commerce amount to unilateral disarmament, and I will fight against those who are determined to raise this white flag.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I have no one seeking time on my side. I need some time, but does the Senator from Nebraska want another 2 or 3 minutes of my time, if he needs it?

Mr. EXON. I will simply advise the Senator, possibly could we take care of the matters that have been agreed to now? I have one Senator who asked to have 3½ minutes. I have the 3½ minutes remaining, but now I do not have the Senator. I would like to give the remainder to him.

Maybe the Senator from New Mexico has some time to give me for closing matters. If not, may we take care of those matters agreed to?

AMENDMENT NO. 1145

Mr. DOMENICI. Mr. President, I ask unanimous consent that it be in order to send to the desk and the Senate adopt, if they see fit, a technical amendment which has been agreed to on the other side. I send that to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] proposes an amendment numbered 1145.

Mr. DOMENICI. 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 4, line 19, strike ''$937,800,000,000'' and insert ''$973,800,000,000''.

On page 5, line 12 strike ''comparison with the maximum deficit amount under section 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of''.

On page 6, line 8, strike ''$1,324,400,000,000'' and insert ''$1,342,400,000,000''.

On page 6, line 10 strike ''comparison with the maximum deficit amount under section 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of''.

On page 7, line 10 strike ''comparison with the maximum deficit amount under section 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of''.

On page 10, line 3, strike ''$347,700,000,000'' and insert ''$374,700,000,000''.

On page 11, line 2, strike ''2000'' and insert ''2002''.

On page 40, line 3, strike ''$1,000,000,000'' and insert ''$100,000,000''.

On page 40, line 10, strike ''$1,000,000,000'' and insert ''$100,000,000''.

On page 40, line 17, strike $1,000,000,000'' and insert ''$100,000,000''.

On page 40, line 24, strike $1,000,000,000'' and insert ''$100,000,000''.

On page 41, line 6, strike $1,000,000,000'' and insert ''$100,000,000''.

On page 41, line 13, strike $1,000,000,000'' and insert ''$100,000,000''.

On page 41, line 20, strike $1,000,000,000'' and insert ''$100,000,000''.

On page 64, line 14, strike ''Foreign Relations'' and insert ''Rules and Administration''.

Mr. DOMENICI. Mr. President, I have nothing further to say.

Mr. EXON. It has been agreed to on both sides.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1145) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1146

(Purpose: To express the sense of the Senate regarding the establishment of a nonpartisan advisory commission on budgeting and accounting)

Mr. DOMENICI. Mr. President, I ask unanimous consent that it be in order to offer a Bingaman amendment on accounting. It has been agreed to on both sides. I send it to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. BINGAMAN, proposes an amendment numbered 1146.

Mr. DOMENICI. 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 86, strike line 11 through line 25 on page 87 and insert the following:

SEC. 305. SENSE OF THE CONGRESS ON A UNIFORM ACCOUNTING SYSTEM IN THE FEDERAL GOVERNMENT AND NONPARTISAN COMMISSION ON ACCOUNTING AND BUDGETING.

(a) FINDING.—The Congress finds the following:

(1) Much effort has been devoted to strengthening Federal internal accounting controls in the past. Although progress has been made in recent years, there still exists no uniform Federal accounting system for Federal Government entities and institutions.

(2) As a result, Federal financial management continues to be seriously deficient, and Federal financial management and fiscal practices have failed to identify costs, failed to reflect the total liabilities of congressional actions, and failed to accurately report the financial condition of the Federal Government.

(3) Current Federal accounting practices do not adequately report financial problems of the Federal Government or the full cost of programs and activities. The continued use of these practices undermines the Government's ability to provide credible and reliable financial data, contributes to waste and inefficiency, and will not assist in achieving a balanced budget.

(4) Waste and inefficiency in Federal Government undermine the confidence of the American people in the Government and reduces the Federal Government's ability to address adequately vital public needs.

(5) To rebuild the accountability and credibility of the Federal Government and restore public confidence in the Federal Government, a uniform Federal accounting system, that fully meets the accounting standards and reporting objectives for the Federal Government, must be immediately established so that all assets and liabilities, revenues and expenditures or expenses, and the full cost of programs and activities of the Federal Government can be consistently and accurately recorded, monitored, and uniformly reported throughout all government entities for budgeting and control and management evaluation purposes.

(b) SENSE OF THE SENATE.—It is the sense of the Congress that the assumptions underlying the functional totals in this resolution include the following assumptions:

(1) UNIFORM FEDERAL ACCOUNTING SYSTEM.—(A) A uniform Federal accounting system should be established to consistently compile financial data across the Federal Government, and to make full disclosure of Federal financial data, including the full cost of Federal programs and activities, to the citizens, the Congress, the President, and agency management.

(B) Beginning with fiscal year 1997, the President should require the heads of agencies to—

(i) implement and maintain a uniform Federal accounting system; and

(ii) provide financial statements; in accordance with generally accepted accounting principles applied on a consistent basis and established in accordance with proposed Federal accounting standards and interpretations recommended by the Federal Accounting Standards Advisory Board and other applicable law.

(2) NONPARTISAN ADVISORY COMMISSION ON ACCOUNTING AND BUDGETING.—(A) A temporary advisory commission should be established to make objective and nonpartisan recommendations for the appropriate treatment of capital expenditures under a uniform Federal accounting system that is consistent with generally accepted accounting principles.

(B) The Commission should be appointed on a nonpartisan basis, and should be composed of public and private experts in the fields of finance, economics, accounting, and other related professions.

(C) The Commission should report to the President and the Congress by August 1, 1995, on its recommendations, and should include in its report a detailed plan for implementing such recommendations.

Mr. BINGAMAN. Mr. President, I would like to thank the very distinguished floor managers of the budget resolution, Senator DOMENICI and Senator EXON, for their willingness to work with me on this amendment, which would establish a temporary, nonpartisan advisory commission on accounting and budgeting. I appreciate their support for the amendment, and I am grateful to their staff, Austin Smythe and Jodi Grant, who have been extremely helpful and pleasant to work with.

The amendment I am proposing modifies section 305 of the resolution currently before the Senate. Section 305 recognizes that unlike most private business and state governments, no uniform Federal accounting system exists for Federal entities and institutions. This lack of uniformity contributes to the difficulty of accurately reporting the financial condition of the Federal Government and achieving a balanced Federal budget.

To help rebuild accountability and credibility in the Federal Government and advance the trend toward a ''private sector'' type financial management policy, section 305 calls for a uniform Federal accounting system that is consistent with generally accepted accounting principles and proposed Federal accounting standards recommended by the Federal Accounting Standards Advisory Board. Once in place, a uniform accounting system should enable us to better assess the full cost of Federal programs and activities. Actual costs will be consistently and accurately recorded, monitored, and uniformly reported by all government entities for budgeting and control and management evaluation.

Mr. President, I believe to achieve the commendable goals set forth in section 305, we first must address the issue of the treatment of capital expenditures for Federal accounting and budgeting purposes. Private businesses throughout the country and many States already have in place accounting systems and budgets that deal with capital expenditures in realistic terms. I believe we in the Federal Government can learn from their experiences.

I am proposing the establishment of a temporary advisory commission on accounting and budgeting that would study and make recommendations on the appropriate treatment of capital expenditures under a uniform Federal accounting system that is consistent with generally accepted accounting principles.

Commission members, to be appointed on a nonpartisan basis, would include public and private experts in the fields of finance, economics, accounting, and related professions.

By August 1, 1995, the Commission would report its recommendations to the President and the Congress. In the report, Commission members would set forth a detailed plan for implementation of their recommendations. It is my hope that if the Commission includes a recommendation on the use of a capital budget, its report will specify the components of such a budget in the context of a unified, balanced Federal budget. I understand many of my colleagues currently oppose the use of a Federal capital budget. I believe that as we take steps to streamline the Federal Government, improve efficiency, and operate Federal systems in a manner more consistent with the private sector, all options should be reexamined and given a fresh analysis. In my view, this is particularly relevant in the context of section 305 of the budget resolution, which as I stated earlier, calls for a uniform Federal accounting system consistent with generally accepted accounting principles.

Mr. President, the commission I am advocating can serve a very important service to the Nation. The Commission will examine, in an objective, nonpartisan forum, the treatment of capital expenditures and long-term investments in the context of a uniform Federal accounting system. By reporting on this work to the President and the Congress within the time frame specified in the amendment, which I calculate to be before final reconciliation of the fiscal year 1996 Federal budget, the Commission's recommendations could serve as the basis for resolution of some the serious and divisive problems we in the Congress have encountered, and will continue to encounter, as we work through the budget process. I look forward to the results of the Commission's work, and again, I thank the distinguished floor managers of the resolution for their assistance with this amendment.

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

The amendment (No. 1146) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. EXON. Mr. President, I yield the remaining 3½ minutes of the time to the final Senator to debate the issue, as of now at least, my colleague from New Jersey.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from New Jersey.

Mr. LAUTENBERG. I thank the Chair, and I thank my colleague from Nebraska.

Mr. President, in the fairly short time that I have available—and I am pleased to have the precious time taken for these couple of moments—I would like to describe several amendments that I have prepared which will be voted on this afternoon.

First, Senator ROCKEFELLER and I will offer an amendment to close the so-called Benedict Arnold billionaires' tax loophole. We would transfer the savings to veterans programs. I call this the ''from expatriates to patriots'' amendment. Then I will be offering four amendments that would create exceptions to the so-called firewall that prohibits transfers between the military and domestic programs.

The amendment would allow the Senate, by a majority vote, as opposed to 60 votes, to transfer funds from the wasteful bureaucratic overhead and procurement in the military budget for specific and compelling reasons. The purposes would be up to $2 billion to address the problem of domestic violence; up to $1 billion to strengthen reinforcement of immigration laws; up to $5 billion to hire police officers for community policing and to do prison building; and up to $100 million for research on breast cancer.

My final amendment would create a 60-vote point of order against cutting Medicare or Medicaid to pay for any tax cuts for the rich.

Some of my Republican friends have claimed that that is not their intent, and I say, well, then let us put it in writing and make it enforceable. Certainly, the intent was challenged when we saw the chart go up at an earlier time in this debate when the Senator from Texas proposed tax cuts amounting to over $300 billion.

So, Mr. President, when I look and see those who have made their fortunes in this country and decide to renounce their citizenship so they do not have to pay a State tax, they do not have to pay capital gains taxes; they move out of here, give up their American citizenship, leave this place where their fortunes were made, where their families were raised just to avoid some taxes, to take something out of these huge fortunes that went abroad, I want to give it to the patriots, those who served their country, those who need help, those who are turning to the VA for hospital care, those who are turning to the VA for prostheses, those who are turning to the VA for counseling. I want to take it from the Benedict Arnolds and give it to those who served their country.

With that—I do not see the ranking Member—is there any time left on our side?

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

The Senator from New Mexico has 7 minutes 52 seconds.

Mr. DOMENICI. The Democrats have how much?

The PRESIDING OFFICER. The time has expired on the Democratic side.

AMENDMENT NO. 1147

(Purpose: To express the sense of the Senate of the United States that the reforms and proposals contained within the Independent Budget for Veterans Affairs, Fiscal Year 1996, should be given careful consideration in an effort to ensure the Nation's commitment to its veterans)

Mr. DOMENICI. 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 New Mexico [Mr. DOMENICI], for Mr. DOLE and Mr. SIMPSON, proposes an amendment numbered 1147.

Mr. DOMENICI. 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 insert the following new section:

SEC. . CONSIDERATION OF THE INDEPENDENT BUDGET FOR VETERANS AFFAIRS, FISCAL YEAR 1996.

(a) FINDINGS.—Congress finds as follows:

(1) Whereas over 26,000,000 veterans are eligible for veterans health care;

(2) Whereas the Veterans Health Administration of the Department of Veterans Affairs operates the largest Federal medical care delivery system in the United States, providing for the medical care needs of our Nation's veterans;

(3) Whereas the veterans' service organizations have provided a plan, known as the Independent Budget for Veterans Affairs, to reform the Veterans' health care delivery system to adapt it to the modern health care environment and improve its ability to meet the health care needs of veterans in a cost-effective manner;

(4) Whereas current budget proposals assume a change in the definition of service-connected veterans;

(5) Whereas proposals contained within the Independent Budget may provide improved service to veterans;

(6) Whereas current budget proposals may not have fully considered the measures proposed by the veterans' service organizations in the Independent Budget

(b) SENSE OF CONGRESS.—It is the Sense of Congress: the reforms and proposals contained within the Independent Budget for Veterans Affairs, Fiscal Year 1996 should be given careful consideration in an effort to ensure the nation's commitment to its veterans.

Mr. DOLE. Mr. President, I rise this afternoon to offer a Sense-of-the-Senate amendment regarding the Nations 26 million veterans.

Over the past few days, some have argued that the budget resolution before us is mean-spirited in its treatment of veterans—that it does not take into consideration the real needs of those who served and sacrificed on behalf of our country. Well, I would like to set the record straight on this matter.

Before the White House or those on the other side of the aisle start attacking Republicans on this issue, they had better take a hard look at the Congressional Budget Office's reestimate of the President's fiscal year 1996 budget request. Over 5 years, the President's own budget gives the Department of Veterans Affairs $339 million less for discretionary medical spending than it would receive under a hard freeze.

However, a coalition of veterans' groups has put together a plan called the Independent Budget for Veterans Affairs: Fiscal Year 1996. The coalition claims that the recommendations set forth in the this document will help to improve the Department of Veterans Affairs' health care system while saving taxpayer dollars. The coalition—Which includes AMVETS, Disabled American Veterans, Paralyzed Veterans of America, and Veterans of Foreign Wars—submitted its plan to Congress and to the Clinton administration earlier this year.

The amendment I offer today simply states that Congress should give this proposal careful consideration. It is a nonpartisan document, crafted by the people who know the system best—the veterans themselves. Let us consider their expertise and rise above partisan accusations as we work to improve the efficiency and quality of service to veterans.

Mr. DOMENICI. Mr. President, this amendment has been cleared on both sides.

I yield back any time I may have on the amendment.

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

The amendment (No. 1147) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, let me state the way I understand things. When the 3½ minutes that I have are used up, all time will have expired on the bill.

I will pose a parliamentary inquiry. When that event occurs and there is no more time, what would the pending business be?

The PRESIDING OFFICER. The pending business is the Boxer amendment No. 1134.

Mr. DOMENICI. I say to the distinguished majority leader, the Boxer amendment has been debated. Many other amendments will be offered that have not been debated. I think I am going to yield back my 2½ minutes. I do not know that anybody wishes to speak, unless the majority leader does.

Mr. EXON. May I inquire at this particular time, if we have a little time left. We have been having various discussions. Has there been an agreement reached on how we are likely to handle a whole series of amendments, especially those not debated, with regard to brief statements from the Senators—30 seconds or a minute? Has there been a determination on that, I ask my colleague?

Mr. DOLE. Mr. President, we have discussed it briefly with the Senator

from New Mexico. I hope there will not be many amendments. We have had 50 hours of debate and a lot of votes. There may be one or two on this side. Is there a specific number on that side?

Mr. EXON. Yes. I will tell you now that we have 31 sure amendments. And, as the Senator knows, other Senators may reserve their rights by appearing and offering their amendments. But there will be 31 amendments filed to be voted on from this side of the aisle.

Mr. DOLE. So we are talking about 5, 6, 7 hours of votes, right, which we will do today. We will save final passage until tomorrow sometime.

Mr. EXON. Of course, that is up to the leader. I certainly say that I have suggested to Senator DASCHLE and to the chairman of the Budget Committee—and maybe it has not reached you—that possibly we can cut down some of those at some time. I hope we can work out something to cut down the time that has to be taken for all those votes.

Mr. DOLE. I am going to ask unanimous consent that after the first vote, all votes be 10 minutes in length.

Mr. BYRD. Will the majority leader yield?

Mr. DOLE. Yes.

Mr. BYRD. Would it be possible to get consent that each vote go for 7½ minutes? I believe that can be done. I have seen it done in here. And possibly we can have a minute or half a minute on a side, so as to have some explanation. By cutting it back to 7½ minutes for the vote, perhaps that will accommodate both sides' concerns.

Mr. EXON. I had made a suggestion along those lines that I think Senator BYRD outlined, and maybe even to speed things up, we can cut the votes to 5 minutes.

Mr. DOLE. They are concerned about doing it in 7½ minutes, unless we remain in our seats. But I think the bottom line is that we are actually going to have to vote on 31 amendments on the other side. If that is the bottom line, and people—ordinarily, you would have a right to have your amendment read. If it is a delaying tactic, we can be here a couple more days. The last time around, I recall that Senator Mitchell advised the Chair that if we insisted on having the amendment read, the ruling of the Chair would be appealed.

So we then decided that when the clerk called up the amendment, they would state the purpose, period, and that is it—you know, economic growth, tax relief, or whatever. That was all the explanation there was. If we start giving everybody 30 seconds, or 1, 2, 3 minutes, we are looking at another 2 or 3 hours, and we will never finish action on this budget resolution. We will be in recess this afternoon for at least 40 minutes, from 4:20 until 5 p.m. I will suggest the absence of a quorum briefly——

Mr. EXON. Mr. President, before that, I will make one statement that I think may be helpful. Certainly, we would enter into a unanimous-consent agreement on this side that the reading of the amendments would not be in order. We are not going to be dilatory about this. We think that for everybody that wants a vote on their amendment—and it has been customary to have that in this body—there would be no reason to do that.

Mr. DOLE. I ask unanimous consent that there not be a requirement that amendments be read.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DOLE. So the clerk can state the purpose if we have the purpose.

Mr. BYRD. If the leader will yield, I am not sure the clerk can state the purpose in a way that we can understand what we are voting on.

Mr. DOLE. The last time we did this, I think we had an agreement that the staff would put ''purpose'' and they would read the purpose, such as tax relief, economic growth, or whatever. At least you had some idea what you were voting on. And it would be agreed upon by the two managers.

Mr. DOMENICI. With your permission, I will talk to the senior Senator from West Virginia. I was accommodating today in what we did for your side, I think 10, 12, maybe even 14 of your amendments. Does anybody have a number of how many were already discussed? Senators took the floor and somewhere between 10 and 12 of those have had anywhere from 2 minutes to 6 minutes which might not have occurred otherwise. So I think we have given a pretty good opportunity——

Mr. EXON. I appreciate the accommodation, and I think there has been accommodation on both sides.

Mr. DOLE. I ask unanimous consent that after the first vote, all other votes be limited to 8 minutes in length.

The PRESIDING OFFICER. Is there objection?

Mr. EXON. Reserving the right to object. The minority leader is here. Are you also going to agree that with an 8-minute vote, there will be an explanation of some type before each vote, or not?

Mr. DOLE. The clerk can state the purpose, to be agreed upon by the two managers.

Mr. EXON. I would like our leader to give you his feelings.

Mr. DOLE. We have had 50 hours. I do not think we need another 50.

Mr. DASCHLE. Mr. President, I hope that we could have just a short description of what the amendment is prior to the time we are called upon to vote. In some cases, Senators in good faith have been waiting for an opportunity to offer their amendments and have been precluded from doing so.

If we can accommodate each author of an amendment with a very short two-sentence explanation, I think it would be in the interest of everybody so that we do not make mistakes on what these votes may be.

Mr. DOMENICI. Mr. President, where we are now is there will be 15 minutes on each vote, unless the Senate agrees later on, which I am sure when we get 15 or 20 of these votes in, we will agree.

There will be no reading of the amendment. We have no agreement on any comments on the amendment. So there will be no comments on the amendment. That is the way it is now.

Mr. DOLE. Mr. President, let me say that for the first vote we will add the customary 5 minutes, so there will be 15 plus 5; after that it will be 15 minutes, period. No additional 5 minutes. I do not need consent for that.

AMENDMENT NO. 1134

The PRESIDING OFFICER. The question occurs on agreeing to the amendment No. 1134, offered by the Senator from California.

Mr. DOMENICI. Mr. President, the pending amendment is not germane to the provisions of the budget resolution pursuant to section 305(b)(2) of the Budget Act. I raise a point of order against the pending amendment.

Mr. EXON. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the act for the consideration of the pending amendment.

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 question is on agreeing to the motion. The yeas and nays have been ordered.

The clerk will call the roll.

The bill clerk called the roll.

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

The yeas and nays resulted—yeas 46, nays 54, as follows:

[Rollcall Vote No. 187 Leg.]

YEAS—46

Akaka	Feinstein	Mikulski
Baucus	Ford	Moseley-Braun
Biden	Glenn	Moynihan
Bingaman	Graham	Murray
Boxer	Harkin	Nunn
Bradley	Heflin	Pell
Breaux	Hollings	Pryor
Bryan	Inouye	Reid
Bumpers	Johnston	Robb
Byrd	Kennedy	Rockefeller
Conrad	Kerrey	Sarbanes
Daschle	Kerry	Simon
Dodd	Kohl	Snowe
Dorgan	Lautenberg	Wellstone
Exon	Leahy	
Feingold	Levin	

NAYS—54

Abraham	Frist	Mack
Ashcroft	Gorton	McCain
Bennett	Gramm	McConnell
Bond	Grams	Murkowski
Brown	Grassley	Nickles
Burns	Gregg	Packwood
Campbell	Hatch	Pressler
Chafee	Hatfield	Roth
Coats	Helms	Santorum
Cochran	Hutchison	Shelby
Cohen	Inhofe	Simpson
Coverdell	Jeffords	Smith
Craig	Kassebaum	Specter
D'Amato	Kempthorne	Stevens
DeWine	Kyl	Thomas
Dole	Lieberman	Thompson
Domenici	Lott	Thurmond
Faircloth	Lugar	Warner

The PRESIDING OFFICER. On this vote, the yeas are 46, and the nays are

54. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The point of order is sustained, and the motion falls.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I have had a discussion with the distinguished Democratic leader and the managers of the bill. I now ask unanimous consent that votes be limited from here on to 9 minutes, and that the manager have 1 minute to explain the purpose of any amendment that has not been debated.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. This is a very workable agreement, Mr. President. The only way it can work, however, is that we anticipate the order in which these amendments can be brought for a vote. We have that order.

So I encourage all the sponsors of these amendments to give the managers their descriptions so that these descriptions can be read and put in the order in which the amendments will be brought up.

But the managers will have 1 minute to describe the amendment, and that description can be anything the sponsors may suggest they want it to be. But I think it will work out well. And it will allow us to cut back substantially the degree of time.

I urge everyone's cooperation.

Mr. DOLE. Mr. President, I want to make it clear we are talking only about those amendments that will not be debated. Those already debated we will not take another minute on. They have had plenty of time. This will apply to amendments that have not been debated because of the time constraints, and they will be explained briefly by the manager on either side.

Mr. DASCHLE. That is our understanding.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Reserving the right to object, I understand that what is being propounded is that we have 9 minutes to vote, and we have 1 minute to explain it by the manager. If you are going to take 1 minute, why not let the proponent of the amendment take 1 minute? You are going to take a minute anyway.

Mr. DOLE. We are just trying to cut down the time. If we have to stop and recognize everybody up and down—it seems to me you can tell the manager what it says, and they can read it. We will have the vote. We are trying to accommodate Senators, particularly on that side, because you have all the amendments, I understand. If you will just give the manager a one-sentence or two-sentence statement, we are just trying to save time. We thought it might save time.

Mr. DASCHLE. There is another practical concern, if the Senator will yield; that is, that assumes that the sponsor of the amendment is going to be on the floor right at the time the amendment is to be called up. In many cases, we will not be able to guarantee that. So if we are assured that the manager has the description, we will know there will be an explanation.

I hope we can accommodate this process. I think all Senators will have the opportunity to have this amendment at least explained prior to the time we have our vote.

Mr. SARBANES. Reserving the right to object, Mr. President.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I would like to put a question to the two leaders. Some of the amendments have been debated. Will they be called up first, the ones on which there has been debate?

Mr. DOMENICI. The order is going to be worked out between Senators who have amendments and staff, Senator EXON's staff and Senator DOMENICI's. We are starting to put that in some kind of sequence right now.

Was that the question?

Mr. SARBANES. The question was there are some amendments that have been debated, and some amendments that have not been debated. The ones that have not been debated, I take it the managers will make a statement about them. I was wondering whether the ones that have been debated by the sponsors of them could be called up.

Mr. DOLE. No; we have already had debate.

Mr. SARBANES. Not for debate. We have had debate on some amendments. I have an amendment that we had a debate on. I was here to sort of send it to the desk and get a vote on it. We have had debate on that amendment which just recently occurred.

Mr. DOLE. What would be your request?

Mr. SARBANES. That that amendment be up near the top, the front of the list, since we have had the debate recently.

Mr. DOLE. I agree with that.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. Is there objection? The Senator from Montana.

Mr. BAUCUS. Mr. President, reserving the right to object, might I renew the request of Senator HARKIN from Iowa? It seems to me that the managers know the amendments best. They can still be confined to the same length of time, the proponents of the amendment, the same time as the managers. It would be my suggestion that the amendment is called up, and if the author of the amendment is not here, he loses the right to offer the amendment.

I just think a better explanation would be given of what the amendments are if the proponents of the amendment describe them during the 1 minute, then the other side offers their description during that same period. And if the author of the amendment is not here when it is called up, I suggest he lose the opportunity to call up the amendment.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. I think it is fair to say we are trying to find some middle ground. We do not have to do anything. We do not have to let anybody explain them; just say nothing. We already have consent that the amendment cannot be read. So you will not have any debate. We are trying to accommodate everybody by going to the managers. If you have a 1-minute statement, let the manager read it. We are just trying to accommodate everybody at the same time to hopefully save some time.

If Senator EXON, for example, had a statement that Senator DOMENICI disagreed with, then we have to understand the other manager, or whoever, would have the same rights.

Mr. EXON. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I shall not object. It seems that we cannot agree on anything around here. Let me set the stage. We are making a change here under unanimous consent, or attempting to, to change the rules. Now, for good reason, we set a 50-hour limit for debate on the budget resolution and you cannot filibuster.

Now, we have been here through a very difficult process, as we always do go through. I would simply say that I happen to feel in this particular case the majority has come a long way to make some changes which benefit us. The fact is we have far more amendments that can be offered under the rules and it turns out there is not time to have debate.

Now, certainly I feel we should recognize that we have gone through a lot of effort, give and take, trying to work out something that is reasonable. It has been agreed to by the minority leader. It has been agreed to by the majority leader.

I would simply say that any Democratic Senator who has an amendment, if he wants to write out what he wants to say on his amendment, he can give it to me, and I can read it just as well as he or she can without going through the folderol that we are going to find ourselves in, as we always do, to start recognizing people back and forth—where are they? Are they not here?

It would seem to me that we have a reasonable process which people can pick to pieces but can we agree after a lot of effort to come to an understanding that I think should be acceptable to our side?

The PRESIDING OFFICER. Without objection, the unanimous-consent request is agreed to. Who seeks recognition?

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

AMENDMENT NO. 1148

(Purpose: Continue funding for economic development in Appalachian region)

Mr. MCCONNELL. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment by number.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL], for himself, Mr. WARNER, Mr. ROCKEFELLER, Mr. HEFLIN, and Mr. COCHRAN, proposes an amendment numbered 1148:

On page 29, line 10, increase the amount by $100,000,000.

On page 29, line 18, increase the amount by $200,000,000.

On page 30, line 2, increase the amount by $200,000,000.

On page 30, line 3, increase the amount by $100,000,000.

On page 30, line 10, increase the amount by $200,000,000.

On page 30, line 11, increase the amount by $100,000,000.

On page 30, line 18, increase the amount by $100,000,000.

On page 30, line 19, increase the amount by $100,000,000.

On page 31, line 2, increase the amount by $100,000,000.

On page 31, line 3, increase the amount by $100,000,000.

On page 20, line 7, decrease the amount by $100,000,000.

On page 20, line 15, decrease the amount by $200,000,000.

On page 20, line 23, decrease the amount by $200,000,000.

On page 20, line 24, decrease the amount by $100,000,000.

On page 21, line 7, decrease the amount by $200,000,000.

On page 21, line 8, decrease the amount by $100,000,000.

On page 21, line 15, decrease the amount by $100,000,000.

On page 21, line 16, decrease the amount by $100,000,000.

On page 21, line 23, decrease the amount by $100,000,000.

On page 21, line 24, decrease the amount by $100,000,000.

Mr. MCCONNELL. Mr. President, I rise today to offer an amendment that will continue a program that is very important, not only to Kentucky, but also to a great number of other States.

Unlike a lot of other Government programs, this one is targeted to assist those who are in greatest need; and it has had a tremendous, positive impact over the years.

Unlike a lot of other Government programs, this one spends most of its funds making a difference in people's lives—rather than wasting taxpayer dollars on administrative expenses.

The program I am speaking of is the Appalachian Regional Commission, commonly known as ARC.

Before I discuss the substance of my amendment, I would like to commend the authors of this budget resolution, especially the chairman of the Budget Committee, Senator DOMENICI, for making literally thousands of tough but intelligent choices with regard to this Nation's spending priorities.

They have done a superb job, and they have done it with care and compassion and concern for those who will necessarily be impacted by this resolution.

But of course, on an issue as complex and multifaceted as the Federal budget, there are bound to be honest differences of opinion. And it is in that spirit that I am offering my amendment to save the Appalachian Regional Commission from the budget ax.

Let me also point out, however, that this amendment hardly preserves the status quo. I do not think anyone from this side of the aisle would contend that business as usual is going to achieve a balanced budget by the year 2002.

Every Federal program and agency is going to have to adapt, and cut costs, and become more efficient in response to the country's fiscal pressures. Every program and agency will need to do more with less, or face total extinction.

That is what my amendment envisions: An Appalachian Regional Commission of the future that continues to provide excellent services and programs in distressed areas, but with a more targeted approach and, frankly, with less funding.

I should add that the people in my State, and many who work for ARC, are more than willing to make the changes necessary to preserve the agency as a vital and active force in the region. But all of them also believe, as I do, that the mission of the ARC has not yet been completed; and we need to continue to support its positive efforts.

Although ARC has made a dramatic impact in improving the economic opportunities and quality of life for people living in Appalachia, there continues to be a real need for assistance in this region. Poverty, out-migration, and high levels of unemployment are especially prevalent in central Appalachia, which includes some of the poorest counties in the Nation.

In all, the ARC serves parts of 13 States, totaling 399 counties from New York to Mississippi. This is a region that lags behind the Nation in most, if not all, major economic measures. It experiences chronically higher unemployment levels, substantially lower income levels, and perniciously high poverty rates. In eastern Kentucky, for example, the poverty rate stood at 29 percent in 1990—16 percent higher than the national average.

Of the 399 counties served by ARC, 115 of these counties are considered severely distressed.

This means that these counties suffer from unemployment levels and poverty rates that are 150 percent of the national average and receive per capita incomes that are only two-thirds of the national average.

The ARC was designed to address the unique problems of this region which has been afflicted by over a century of exploitation, neglect, geographic barriers, and economic distress. These are not problems born of cyclical economic fluctuations but are the result of years of unremitting underdevelopment, isolation, and out-migration.

That is the bad news. The good news is that ARC has worked hand in hand with each of the 13 States in its jurisdiction to develop flexible and effective programs, tailored to the specific needs of each community or region.

And there is more good news. ARC is unusually lean, as Federal agencies go, with respect to administrative and personnel expenses. Total overhead accounts for less than 4 percent of all expenditures. That is largely achieved through cooperation with the States.

State Governors contribute 50 percent of the administrative costs as well as the full cost of their own regional ARC offices.

In fact, Mr. President, I would urge my colleagues to look to the ARC as a model of efficiency, cost sharing, and State cooperation for other Federal programs.

Some people have said that ARC represents a special windfall for a single area of the country. That is simply not true. The stark reality is that Appalachia receives 14 percent less per capital spending from the Federal Government than the rest of the country, and that includes the amount it receives through ARC. If anything, Appalachia is an underserved area.

The ARC's mission has been to provide the assistance needed to make Appalachian areas economically self-sustaining, rather than to simply hand out government largess.

This is an important distinction.

The ARC is not a traditional poverty program but an economic development program, with a lot of work still ahead of it. If we were to ax the ARC outright, the fact is that much of the investment we have made up to now would have been for naught.

It would be like laying the foundation of a building, putting in the beams and supports, and then deciding to stop before putting on the roof and the walls. Unless the work is seen to completion, much of what has been done to this point will have been in vain.

At the same time, because of the tremendous fiscal pressures we are facing, my amendment would not restore funding for ARC to its current level. Instead, it puts the ARC on a glidepath of reduced spending through the year 2002. The partially restored funding is entirely offset and will fully comply with guidelines established by the Budget Committee to reach a balanced budget by the year 2002.

The way we achieve these goals is quite simple. First, we start with a 35-percent reduction from the current funding level for ARC. There is no question that this is a considerable cut, and it will have an impact on the ARC's ability to fully serve its target areas. But I think it underscores how serious we are about preserving this agency.

From the 35-percent-reduction level in 1996, my amendment will continue

to lower funding levels each year through 2002. Overall, if we use as a baseline a hard freeze at 1995 funding levels for ARC, my amendment would achieve a 47-percent reduction in spending. This amounts to $925 million in savings over 7 years.

Mr. President, I would ask that a table reflecting the savings proposed by my amendment appear in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. MCCONNELL. Mr. President, nobody can charge that this amendment is an attempt to preserve the status quo. Instead, it is an effort to preserve an essential Federal program by making some very tough but necessary choices.

In order to provide the necessary budget offset, I have proposed a reasonable reduction in the regulation and technology account of the Office of Surface Mining. The regulatory arm of OSM has served its statutory purposes well over the years, but the fact is that much of its current activities are now being handled effectively at the State level.

In fact, primary responsibility for regulation in this area has been passed on to 23 of the 26 coal-producing States.

Further, the size of the industry being regulated by OSM has shrunk dramatically over the last decade and a half. While the number of active coal mines has dropped from over 6,000 in 1979 to barely 3,000 in 1993, OSM staff has increased by more than 50 percent. Even since 1983, when the last of the 23 States assumed primary regulatory authority, OSM staff grew by a quarter.

About half of the OSM budget for regulation and technology funds activities that duplicate existing state resources.

So what you have here is a smaller industry—smaller by half—being regulated by 50 percent more bureaucrats. That is the kind of anomaly that our constituents want us to change.

Voters believe that 52 cents on every tax dollar is waste by the Federal Government. If there is any program that suggests this might be true, it is the regulation account at OSM which serves a smaller and smaller industry, and whose activities are being duplicated by more and more States.

Further, I am told that OSM has actually become a burden on State regulatory agencies, making excessive requests for data collection and studies that divert valuable resources from their own regulatory activities.

The proposed reduction in OSM's title V program should come out of the agency's inspection and regulatory activities which duplicate State programs. Adequate funding for State regulatory grants should be maintained, and my amendment is in no way intended to affect such grants.

Mr. President, in these tight budgetary times, a 28-percent reduction in the OSM regulatory budget is entirely reasonable. This cut will actually force OSM to streamline operations and eliminate many duplicative services that are a burden to State regulatory agencies.

I would suggest that the remaining cuts be from other Federal programs that duplicate State regulatory or oversight functions within function 300. If we intend to streamline the Federal Government, we can start with Federal activities that overlap with State agencies and programs. Overall, my amendment would cut three-fourths of 1 percent from this function. This small cut will provide substantial benefit to severely distressed regions of Appalachia.

In drafting this amendment, I have consulted with officials at ARC to help redesign the focus and size of the agency. It is my view that ARC should eliminate those functions that are beyond the central mission of economic development.

We also need to critically assess which areas that are currently under the jurisdiction of ARC no longer need its support, due to the success of ARC's programs.

There are a number of counties that have achieved the goal of economic self-sufficiency and therefore have outgrown the need for ARC funding.

My amendment would enable the ARC to focus its resources on those counties that struggle with the most severe economic hardships.

Let me conclude. If my colleagues believe that eliminating ARC will save money, they are sadly mistaken. The poverty and economic distress of central Appalachia will only deepen, imposing higher costs on other Federal programs. On the other hand, if we keep ARC alive, and help this region to help itself, we will be saving a lot more money in the long run.

Of course, all programs must make every effort to revaluate their mission and eliminate those functions that are no longer needed. I have proposed eliminating certain authorities of the ARC that are no longer needed, and reforming the eligibility criteria to take certain economically stabilized counties off the rolls. These reforms are assumed in the lower spending levels contained in my amendment.

In sum, this is a creative and commonsense way to save one of the few Federal programs that has actually worked: the ARC. Just as important, my proposal is consistent with the goal of balancing the budget which all of us want to achieve. I urge my colleagues to support the amendment.

McCONNELL AMENDMENT—HARDLY KEEPING THE STATUS QUO

[In billions of dollars]

	1996	1997	1998	1999	2000	2001	2002	Total
McConnell Amendment:[1]								
Annual budget authority	.183	.177	.173	.166	.150	.100	.100	1.049
Freeze at 1995 levels:								
Annual budget authority	.282	.282	.282	.282	.282	.282	.282	1.974
Current funding adjusted for inflation:								
Annual budget authority	.291	.301	.312	.323	.334	.....	.....	1.561

[1] The McConnell amendment saves more than $900 million over a 7 year freeze at 1995 ARC funding levels. The McConnell amendment saves more than $500 million over 5 year—inflation adjusted—ARC funding levels.

Mr. FORD. Mr. President, I would like to clarify the RECORD. I believe the distinguished junior Senator from Kentucky may have misspoke earlier with regard to the need for this amendment to address payments made by the Federal Election Commission [FEC] from the Presidential Election Campaign Fund for settlement of alleged sexual harassment claims.

The entire $37,500 payment referred to by the Senator was disallowed by the FEC as a qualified campaign expense and the FEC required repayment of all Federal matching funds used to pay this expense. As my colleague knows, the courts have held that the FEC may only require repayment of disallowed campaign expenses to the extent Federal funds were used.

In this instance, the FEC determined that of the $37,500 in disallowed campaign expenses, $9,675 were paid with Federal matching funds. Consequently, the campaign repaid the Presidential Election Campaign Fund that amount.

Therefore, no taxpayer funds were used to pay this settlement.

But I agree that taxpayer funds should not be used for this purpose and I support the amendment.

Mr. WARNER. Mr. President, I rise today in support of the McConnell amendment to ensure that the essential services provided by the Appalachian Regional Commission are continued for some of this Nation's most destitute areas.

At a time when we are correctly terminating or scaling back outdated Federal programs, I believe the Appalachian Regional Commission is the type of Federal initiative we should be encouraging. It is important to recognize that the ARC uses its limited Federal dollars to leverage additional State and local funds. This successful partnership enables communities in Virginia to have tailored programs which help them respond to a variety of grassroots needs.

In the Commonwealth of Virginia, 21 counties rely heavily on the assistance they receive from the Appalachian Regional Commission. Income levels for this region of Virginia further indicate that, on average, my constituents who reside in this region have incomes which are $6,000 below the average per capita income for the rest of the Nation.

In 1960, when the ARC was created, the poverty rate in Virginia's Appalachian region was 24.4. In 1990, the poverty rate statistics of 17.6 show improvement which can be attributed to the effectiveness of the ARC. However, we are still a long way from achieving the U.S. average poverty level of 13.1 and also the regional poverty level of other ARC-member States of 15.2.

With these statistics in mind, I would like to offer some specific points one should keep in mind regarding the effectiveness of ARC programs, its relationship with the Commonwealth of Virginia, and the direct impact that this relationship has on the private sector.

In recent years, a significant portion of ARC funds have been dedicated to local economic development efforts. Were it not for this assistance, the LENOWISCO Planning District and Wise County would not have been able to complete construction of the water and sewage lines to provide utility services to the Wise County Industrial Park at Blackwood. These lines were financed by a $500,000 grant from the ARC and a $600,000 grant from the U.S. Economic Development Administration. The construction of these utilities to serve a new industrial park has attracted a major wood products manufacturing facility which has created 175 new jobs for the community.

The Fifth Planning District serving the Alleghany Highlands of Virginia is a prominent example of leveraging other State and local funds and stimulating economic development with partial funding from the ARC. For fiscal year 1995, with $350,000 from the ARC, the Alleghany Regional Commerce Center in Clifton Forge, VA was established. This new industrial center already has a commitment from two industries, providing new employment opportunities for over 220 persons.

The ARC funds for this project have generated an additional $500,000 in State funds, $450,000 from the Virginia Department of Transportation, $145,000 from Alleghany County, and $168,173 from the Alleghany Highlands Economic Development Authority. As a result of a limited Federal commitment, there is almost a 4 to 1 ratio of non-Federal dollars compared to Federal funds.

In many cases, these funds have been the sole source of funding for local planning efforts for appropriate community development. For example, such funds have been used to prepare and update comprehensive plans which are required by Virginia State law to be updated every 5 years in revise zoning, subdivision, and other land use ordinances. In addition, funds are used to prepare labor force studies or marketing plans in guiding industrial development sites.

Mr. President, the mission of the Appalachian Regional Commission is as relevant today as it was when the program was created. This rural region of the Nation remains beset with many geographic obstacles that have kept it isolated from industrial expansion. It is a region that has been attempting to diversify its economy from its dependency on one industry—coal mining—to other stable employment opportunities. It is a program that provides essential services and stimulates the contributions of state and local funds.

I thank Senator MCCONNELL for his leadership on this issue and I urge the amendment's adoption.

AMENDMENT NO. 1148

Mr. ROCKEFELLER. Mr. President, I rise in strong support of this amendment to preserve funding for the Appalachian Regional Commission, and I thank the Senator from Kentucky for offering it. Without his amendment, the budget proposal before us includes a plan to wipe out a very small and valuable agency over the next 5 years. This amendment is the Senate's chance to reject the idea of eliminating the tools dedicated to the economic development and future of 13 Appalachian States, including West Virginia.

Senators listening to this debate may think this is an amendment that only deserves the votes of those of us representing those States. I hope our case will be heard so that won't be the conclusion of our colleagues. The people of every State have a stake in the economic strength of the rest of the country. When floods ravage the Mid-West or the Gulf States; when a major defense installation or space center is located in a State like Texas or Alabama; when payments are made to farmers for crop losses; when billions are spent to shore up S&L institutions in certain States; when special aid is given to cities or to California after its riots or earthquakes; when research labs get special funds in New Mexico or Massachusetts—when any of this support and assistance is extended, it is the country's way of investing in each region and in the futures of Americans everywhere.

The Appalachian Regional Commission is the Nation's effort to help a part of this country overcome tremendous barriers. In many parts of the region, major progress has been achieved. But the ARC's job is not finished, and the agency should not be abolished until it is.

Like so much else in this budget debate, this amendment is about priorities. For me, this represents a choice between two programs that affect the people of West Virginia. It calls for a little less support for the Office of Surface Mining, in order to put more into the ARC.

The key message in this amendment is its call for continuing the ARC's partnership with West Virginia and the Appalachian region to finish the foundation we need for more growth, more jobs, and more hope for our people.

To that end, I accept the idea that the Office of Surface Mining should reduce its bureaucracy and excessive regulatory activity in order to finish ARC's work for families and businesses in Appalachia. This amendment will not add to the deficit or prevent us from reaching a balanced budget in 2002—it will simply redirect funding from certain activities at OSM so that the ARC can continue its mission for the people of Appalachia.

This amendment accepts a fair share of responsibility for deficit reduction. But instead of saying wipe out the ARC, it charts a course of gradual reductions, starting with a 35 percent cut in ARC funding for 1996, with continued reductions through 2002. Overall, it would be a 47 percent cut in ARC funding if the commission were frozen at its 1995 level. This is going to require changes and further streamlining at the ARC, which should be tough but doable. Under the McConnell amendment, ARC is still contributing its fair share to deficit reduction. Without it, one region of the country is asked to suffer more than is fair and to a point that will hurt the region.

As a former Governor, and now as a U.S. Senator from West Virginia, I know—vividly—the value of the ARC and how it improves the lives of many hard-working citizens. Whether the funding is used for new water and sewer systems, physician recruitment, adult literacy programs or the Appalachian corridor highways, it has made the difference in West Virginia, Kentucky, and the other Appalachian States.

The highways are the most visible and best known investments made by the ARC for the people of Appalachia. As of today, over two-thirds of the ARC highway system has been completed. But if the ARC is simply abolished, the job will not be completed. What a waste of money to pull out before a road system is finished.

At this very moment, some of these highways are called highways halfway to nowhere, because they are just that—half built, and only halfway to their destination. The job has to be completed, so these highways become highways the whole way to somewhere. And that somewhere is called jobs and prosperity that will benefit the rest of the country, too.

Appalachia simply wants to be connected to our national grid of highways. Parts of the region weren't lucky enough to come out as flat land, so the job takes longer and costs more. But it is essential in giving the people and families in this part of the United States of America a shot—a chance to be rewarded for a work ethic and commitment with real economic opportunity and a decent quality of life.

I won't speak for my colleagues from other Appalachian States, but West Virginia was not exactly the winner in the original Interstate Highway System. And Senators here represent many States that were. As a result, areas of my State have suffered, economically and in human terms. Without roads, people are shut off from jobs. That's obvious. But without roads, people also cannot get decent health care. Dropping out of school is easier sometimes than taking a 2-hour bus ride because the roads are not there.

The structure of the ARC makes it more efficient and effective than many other agencies. The ARC is a working, true partnership between Federal, State, and local governments.

This structure expects responsibility from citizens and local leaders, Federal funding is designed to leverage State and local money for any activity. Accordingly to the ARC, throughout its lifetime, it has contributed less than half of the total amount of project funds. Administrative costs have accounted for less than 4 percent of total costs over ARC's lifetime.

Long before it was fashionable, ARC used a from the bottom up approach to addressing local needs, rather than a top down, one-size-fits-all mandate of the type that has become all too familiar to citizens dealing with Federal agencies. It works, too.

I urge everyone in this body to keep a promise made to a region that has been short shrifted. Each region is unique. Solutions have to differ, depending on our circumstances. When it comes to Appalachia, a small agency called the Appalachian Regional Commission should finish its work. Abolishing it overnight will only create more problems and more costs that can be avoided. I urge my colleagues to vote in favor of the McConnell amendment.

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

Mr. McCONNELL. Mr. President, I ask for a rollcall vote.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 51, nays 49, as follows:

[Rollcall Vote No. 188 Leg.]

YEAS—51

Abraham	Dole	Kerrey
Akaka	Exon	Leahy
Biden	Feinstein	Levin
Breaux	Ford	Lieberman
Bryan	Frist	Lott
Burns	Glenn	Lugar
Byrd	Harkin	McConnell
Coats	Hatch	Mikulski
Cochran	Heflin	Moseley-Braun
Coverdell	Helms	Nunn
Craig	Hollings	Pell
Daschle	Hutchison	Pryor
DeWine	Inouye	Reid
Dodd	Johnston	Robb
Rockefeller	Shelby	Stevens
Santorum	Snowe	Thurmond
Sarbanes	Specter	Warner

NAYS—49

Ashcroft	Feingold	Mack
Baucus	Gorton	McCain
Bennett	Graham	Moynihan
Bingaman	Gramm	Murkowski
Bond	Grams	Murray
Boxer	Grassley	Nickles
Bradley	Gregg	Packwood
Brown	Hatfield	Pressler
Bumpers	Inhofe	Roth
Campbell	Jeffords	Simon
Chafee	Kassebaum	Simpson
Cohen	Kempthorne	Smith
Conrad	Kennedy	Thomas
D'Amato	Kerry	Thompson
Domenici	Kohl	Wellstone
Dorgan	Kyl	
Faircloth	Lautenberg	

So the amendment (No. 1148) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1149

(Purpose: To restore the cuts to Federal Retirement Programs by providing that the Federal Retirement programs will continue to calculate retirement benefits from the average of an employee's high 3 years of service. The restoration of these cuts will be paid for by closing tax loopholes regarding billionaires who renounce their citizenship)

Mr. SARBANES. 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 Maryland [Mr. SARBANES], for himself, Ms. MIKULSKI, Mr. WARNER, Mr. ROBB and Mr. BINGAMAN, proposes an amendment numbered 1149.

Mr. SARBANES. 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 3, line 10, increase the amount by $47,000,000.

On page 3, line 11, increase the amount by $144,000,000.

On page 3, line 12, increase the amount by $197,000,000.

On page 3, line 13, increase the amount by $257,000,000.

On page 3, line 14, increase the amount by $322,000,000.

On page 3, line 15, increase the amount by $392,000,000.

On page 3, line 16, increase the amount by $412,000,000.

On page 3, line 20, increase the amount by $47,000,000.

On page 3, line 21, increase the amount by $144,000,000.

On page 3, line 22, increase the amount by $197,000,000.

On page 3, line 23, increase the amount by $257,000,000.

On page 3, line 24, increase the amount by $322,000,000.

On page 3, line 25, increase the amount by $392,000,000.

On page 4, line 1, increase the amount by $412,000,000.

On page 4, line 18, increase the amount by $47,000,000.

On page 4, line 19, increase the amount by $144,000,000.

On page 4, line 20, increase the amount by $197,000,000.

On page 4, line 21, increase the amount by $257,000,000.

On page 4, line 22, increase the amount by $322,000,000.

On page 4, line 23, increase the amount by $392,000,000.

On page 4, line 24, increase the amount by $412,000,000.

On page 5, line 4, increase the amount by $47,000,000.

On page 5, line 5, increase the amount by $144,000,000.

On page 5, line 6, increase the amount by $197,000,000.

On page 5, line 7, increase the amount by $257,000,000.

On page 5, line 8, increase the amount by $322,000,000.

On page 5, line 9, increase the amount by $392,000,000.

On page 5, line 10, increase the amount by $412,000,000.

On page 5, line 17, increase the amount by $47,000,000.

On page 5, line 18, increase the amount by $144,000,000.

On page 5, line 19, increase the amount by $197,000,000.

On page 5, line 20, increase the amount by $257,000,000.

On page 5, line 21, increase the amount by $322,000,000.

On page 5, line 22, increase the amount by $392,000,000.

On page 5, line 23, increase the amount by $412,000,000.

On page 6, line 16, increase the amount by $47,000,000.

On page 6, line 17, increase the amount by $144,000,000.

On page 6, line 18, increase the amount by $197,000,000.

On page 6, line 19, increase the amount by $257,000,000.

On page 6, line 20, increase the amount by $322,000,000.

On page 6, line 21, increase the amount by $392,000,000.

On page 6, line 22, increase the amount by $412,000,000.

On page 39, line 24, increase the amount by $47,000,000.

On page 39, line 25, increase the amount by $47,000,000.

On page 40, line 6, increase the amount by $144,000,000.

On page 40, line 7, increase the amount by $144,000,000.

On page 40, line 13, increase the amount by $197,000,000.

On page 40, line 14, increase the amount by $197,000,000.

On page 40, line 20, increase the amount by $257,000,000.

On page 40, line 21, increase the amount by $257,000,000.

On page 41, line 2, increase the amount by $322,000,000.

On page 41, line 3, increase the amount by $322,000,000.

On page 41, line 9, increase the amount by $392,000,000.

On page 41, line 10, increase the amount by $392,000,000.

On page 41, line 16, increase the amount by $412,000,000.

On page 41, line 17, increase the amount by $412,000,000.

On page 63, line 19, decrease the amount by $47,000,000.

On page 63, line 20, decrease the amount by $967,000,000.

On page 63, line 21, decrease the amount by $1,771,000,000.

At the appropriate place in the resolution insert the following:

SEC. . FEDERAL RETIREMENT.

It is the sense of the Senate that—

(a) the assumptions underlying the revenue and functional totals in this resolution assume that the Federal Retirement programs will continue to calculate retirement benefits from the average of an employee's high 3 years of service; and (b) the restoration of Federal Retirement benefits will be restored by closing the tax loophole which allows billionaires to escape taxes by renouncing their citizenship.

Mr. WARNER. Mr. President, I would like to speak for a few minutes regarding the Sarbanes amendment, of which I am an original cosponsor. This amendment eliminates the provision in the budget resolution which changes the basis for calculating retirement benefits for Federal employees from the average of an employee's highest 3 years to the average of the highest 5 years.

The Government cannot change the rules in the middle of the game for these loyal public servants who are relying on and planning for retirement using longstanding practices. Government personnel, civilian or military, active or retirees, should not be singled out to bear the burden of balancing the budget.

While I am a strong advocate of balancing the budget, I do not believe that a disproportionate share of the budget cuts should fall on Federal employees. I strongly agree with the mandate which American people delivered in the 1994 elections. I am committed to working to cut spending and reduce big government, while striving to see that benefits to the truly needy are not unfairly affected.

We cannot and must not allow those who have given years of service to the Federal Government to be uncertain about their retirement decisions and their future financial well-being.

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

Mr. DOMENICI. 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 question is on agreeing to the amendment No. 1149 offered by the Senator from Maryland [Mr. SARBANES]. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 50, nays 50, as follows:

[Rollcall Vote No. 189 Leg.]

YEAS—50

Akaka	Byrd	Glenn
Baucus	Campbell	Graham
Biden	Conrad	Harkin
Bingaman	Daschle	Heflin
Boxer	Dodd	Hollings
Bradley	Dorgan	Inouye
Breaux	Feingold	Jeffords
Bryan	Feinstein	Johnston
Bumpers	Ford	Kennedy
Kerrey	Moseley-Braun	Robb
Kerry	Moynihan	Rockefeller
Kohl	Murray	Sarbanes
Lautenberg	Nunn	Shelby
Leahy	Pell	Simon
Levin	Pressler	Warner
Lieberman	Pryor	Wellstone
Mikulski	Reid	

NAYS—50

Abraham	Faircloth	Mack
Ashcroft	Frist	McCain
Bennett	Gorton	McConnell
Bond	Gramm	Murkowski
Brown	Grams	Nickles
Burns	Grassley	Packwood
Chafee	Gregg	Roth
Coats	Hatch	Santorum
Cochran	Hatfield	Simpson
Cohen	Helms	Smith
Coverdell	Hutchison	Snowe
Craig	Inhofe	Specter
D'Amato	Kassebaum	Stevens
DeWine	Kempthorne	Thomas
Dole	Kyl	Thompson
Domenici	Lott	Thurmond
Exon	Lugar	

So the amendment (No. 1149) was rejected.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1150

(Purpose: Deficit neutral amendment that would prohibit including revenues in the budget resolution based on oil and gas leasing within the Arctic National Wildlife Refuge)

Mr. ROTH. 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 Delaware [Mr. ROTH] proposes an amendment numbered 1150.

Mr. ROTH. 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 3, line 10 increase the amount by $200,000,000.

On page 3, line 11 increase the amount by $200,000,000.

On page 3, line 12 increase the amount by $300,000,000.

On page 3, line 13 increase the amount by $300,000,000.

On page 3, line 14 increase the amount by $400,000,000.

On page 3, line 15 increase the amount by $400,000,000.

On page 3, line 16 increase the amount by $500,000,000.

On page 3, line 20 decrease the amount by $200,000,000.

On page 3, line 21 decrease the amount by $200,000,000.

On page 3, line 22 decrease the amount by $300,000,000.

On page 3, line 23 increase the amount by $300,000,000.

On page 3, line 24 increase the amount by $400,000,000.

On page 3, line 25 increase the amount by $400,000,000.

On page 4, line 1 increase the amount by $500,000,000.

On page 4, line 18 increase the amount by $200,000,000.

On page 4, line 19 increase the amount by $200,000,000.

On page 4, line 20 increase the amount by $300,000,000.

On page 4, line 21 increase the amount by $300,000,000.

On page 4, line 22 increase the amount by $400,000,000.

On page 4, line 23 increase the amount by $400,000,000.

On page 4, line 24 increase the amount by $500,000,000.

On page 5, line 4 decrease the amount by $200,000,000.

On page 5, line 5 decrease the amount by $200,000,000.

On page 5, line 6 decrease the amount by $300,000,000.

On page 5, line 7 increase the amount by $300,000,000.

On page 5, line 8 increase the amount by $400,000,000.

On page 5, line 9 increase the amount by $400,000,000.

On page 5, line 10 decrease the amount by $500,000,000.

On page 5, line 19 increase the amount by $1,400,000,000.

On page 5, line 22 increase the amount by $900,000,000.

On page 6, line 5 increase the amount by $1,400,000,000.

On page 6, line 8 increase the amount by $900,000,000.

On page 6, line 18 increase the amount by $1,400,000,0000.

On page 6, line 21 increase the amount by $900,000,000.

On page 7, line 5 increase the amount by $1,400,000,000.

On page 7, line 8 increase the amount by $900,000,000.

On page 7, line 15 decrease the amount by $200,000,000.

On page 7, line 16 decrease the amount by $200,000,000.

On page 7, line 17 increase the amount by $1,100,000,000.

On page 7, line 18 decrease the amount by $300,000,000.

On page 7, line 19 decrease the amount by $400,000,000.

On page 7, line 20 increase the amount by $500,000,000.

On page 7, line 21 decrease the amount by $500,000,000.

On page 8, line 1 decrease the amount by $200,000,000.

On page 8, line 2, decrease the amount by $200,000,000.

On page 8, line 3, increase the amount by $1,100,000,000.

On page 8, line 4, decrease the amount by $300,000,000.

On page 8, line 5, decrease the amount by $400,000,000.

On page 8, line 6, increase the amount by $500,000,000.

On page 8, line 7, decrease the amount by $500,000,000.

On page 20, line 15, increase the amount by $1,400,000,000.

On page 20, line 16, increase the amount by $1,400,000,000.

On page 21, line 15, increase the amount by $900,000,000.

On page 21, line 16, increase the amount by $900,000,000.

On page 62, line 14, decrease the amount by $1,400,000,000.

On page 62, line 15, decrease the amount by $2,300,000,000.

Mr. BAUCUS. I rise today in support of the amendment offered by my colleague, Senator ROTH, to protect the Arctic National Wildlife Refuge in Alaska from oil and gas development. The proposed budget resolution assumes that the Committee on Energy

and Natural Resources will reach its budget target by opening up this magnificent wildlife refuge to oil and gas development. By striking $2.3 billion over 7 years from that committee's required reduction in budget outlays, and adding that amount to the reduction required by the Finance Committee, Senator ROTH's amendment would protect the refuge, while preserving the budget resolution's bottom line.

To ensure that this amendment is deficit neutral and therefore does not impair our progress toward a balanced budget, a goal I strongly support, Senator ROTH has suggested that those funds instead be obtained by eliminating the ability of persons to avoid taxes by relinquishing their U.S. citizenship. As a result, this amendment would allow us to continue to protect a national treasure for future generations by closing a tax loophole for wealthy expatriates who choose to give up their American citizenship to avoid paying taxes.

A word about the refuge. It is a truly special place. Located in the northeast corner of Alaska, the Arctic National Wildlife Refuge has been referred to, for good reason, as ''America's Serengeti.'' The refuge supports a spectacular array of wildlife, including polar bears, grizzly bears, wolves, and snow geese. In addition, the porcupine caribou herd, numbering over 150,000 animals, bear their young on the coastal plain and provide an important source of food for the native people that live near the refuge.

Oil and gas development is now prohibited in the refuge, unless authorized by Congress. Senator ROTH's amendment is therefore consistent with current law. However, regardless of whether you believe, as I do, that the coastal plain should be permanently protected as a wilderness area or, as the Budget Committee proposes, that the law should be changed to authorize leasing for oil and gas, the budget process is not the time or the place to settle this important issue. It should be fully and objectively debated, taking into consideration not only the immediate economic return of leasing but the potential loss to future generations of developing this pristine wilderness.

The Roth amendment will remove the budget incentive to develop the refuge while maintaining the deficit reduction totals. I urge my colleagues to support it.

Mr. WELLSTONE. Mr. President, I rise to speak in support of the amendment proposed by the distinguished Senator from Delaware. It is my belief that this amendment would accomplish two very important goals with one simple action, namely, closing an outrageous tax loophole for the super-rich, and preserving one of this continent's most fragile treasures, the Arctic National Wildlife Refuge.

Now as some of my colleagues are no doubt well aware, as long as I have been coming down to this floor to speak, I have been speaking in opposition—strong opposition—to opening up ANWR to oil and gas drilling. My position has not changed one bit, for those of my colleagues who have not heard me address this issue before, I want to take this opportunity to again state the reasons why I am so opposed to drilling.

Mr. President, opening up the Arctic National Wildlife Refuge is not an energy policy, it is a non-energy policy. Even if—and this is a big ''if''—even if the big oil companies were to tap the 3.2 billion barrels of oil the Department of Interior has estimated may lie under ANWR, the United States would be no more energy secure than it is now. The oil reserves under ANWR would compose only a fraction of this country's huge appetite for oil for a short period of time, and at a tremendous, perhaps catastrophic ecological cost. We will be no less dependent on foreign oil, and perhaps more so, now that the Senate has apparently expressed its willingness to see Alaskan oil exported overseas to the highest bidder. We will have gained nothing except the experience of witnessing, once again, the grand exercise of greed.

And at what cost, Mr. President? I will tell you what cost. We will have squandered one of the last remaining, irreplaceable treasures that belong not to us, not to the oil companies, not to this Government, but to our children, and their children and their children's children. The Arctic National Wildlife Refuge is the biological heart of the Arctic; and once it is gone, Mr. President, it is gone forever.

Let us not continue any further down this path of foolishness. I urge my colleagues to vote for their children's sake to accept the Roth amendment.

Mr. LAUTENBERG. Mr. President, I rise today to strongly support the amendment by Senator ROTH to remove language in the budget resolution which might allow drilling in the coastal plain of the Arctic National Wildlife Refuge.

A provision in the budget resolution assumes leasing revenues of $1.4 billion from leasing rights in the coastal plain. It is, in reality, nothing more than a yard sale to special interests of the resources in this critical Arctic wilderness. Additionally, the $1.4 billion revenue estimate is highly speculative, at best. All and all, the provision is misplaced and misguided.

The issue of whether to drill in the coastal plain in the Arctic Refuge deserves full, open and deliberative debate. This is an embarrassing backdoor attempt to allow development of our last remaining wilderness. We should not consider a decision of major importance to be made under the time restrictions required by the budget resolution—we should pursue this discussion through separate legislation. That's the responsible thing to do.

Including this discussion in the context of the budget resolution denigrates the natural values of the coastal plain which, unlike barrels of oil on the open market, cannot be quantified. The budget resolution concerns itself primarily with identifying revenues and directing spending. It is not the place to develop Federal policy on land use or natural resources. The ecological values of the coastal plain, many of which are intangible, will lose out when compared to the CBO scoring of potential revenues of barrels of oil.

Mr. President, I oppose the budget committee proposal because it continues, and even strengthens, the existing misplaced energy priorities that have yet to reduce our need for foreign oil. The language in the resolution emphasizes environmentally destructive energy development when what we need to do is develop cleaner, nonpetroleum-based fuels and seek important energy conservation opportunities.

If we allow drilling in the coastal plain, we are destroying what the Fish and Wildlife Service calls the biological heart of the only complete Arctic ecosystem protected in North America. We will be destroying that resource for a one in five chance of finding any economically recoverable oil in the coastal plain. And, even worse, we will destroy that biological heart in an effort to recover what many experts suggest will be only 200 days worth of oil for the Nation.

In addition, Mr. President, we cannot be sure that the revenues the committee assumes from the leasing are real. First, the leasing revenues are speculative in light of what has been bid on other highly prospective leases near the Arctic Refuge. The State of Alaska's most recent onshore lease sale located west of the Refuge brought in an average of $48.41 per acre, and leases immediately offshore the refuge in the Beaufort Sea only gained an average of $33–$153 per acre, versus the estimated $1,533 per acre the committee assumes would be paid if the entire coastal plain were leased.

Second, the Federal treasury may take in as little as ten percent of all leasing revenues, not a split of 50 percent as it appears that the Budget Committee currently assumes. The State of Alaska can be expected to sue to get 90 percent of the leasing revenues, as it does currently for other leases on Federal lands in Alaska.

Mr. President, after the *Exxon Valdez* spill, I visited the tragic spill site, the industrial complex at Prudhoe Bay, and the coastal plain of the Arctic Refuge. What I saw was the best of nature and the failings of humanity. I saw the best of nature in the Arctic Refuge, an area that the renowned biologist George Shaller calls ''unique and irreplaceable, not just on a national basis, but also on an international basis.'' He notes, ''most remote ecosystem, both inside and outside reserves, are rapidly being modified. The refuge has remained a rare exception. The refuge was established not for economic value, but as a statement of our nation's vision.''

Beauty, wilderness, pristine—these words simply fail to capture what I saw and what is at stake if we allow oil and gas drilling to proceed. The infrastructure alone will severely impact the ecosystem. The oil rigs, roads, pipelines, airstrips, production facilities, seismic testing and air and water pollution associated with the development will have dramatic negative impacts on the fragile coastal plain ecosystem.

We also threaten the food and culture of one of the most traditional subsistence peoples in the world, the Gwich'in indians who depend on the healthy and undisturbed porcupine caribou herd which gives birth and raises its young in the coastal plain.

Unfortunately, in seeing the spill in Prince William Sound, I saw how empty promises and humanity's carelessness despoiled a rich ecosystem. Dead wildlife, oil-coated beaches, fishing towns and villages of native Alaskans turned upside down with the destruction. Today, seabird, seal, sea otter, and herring populations still have not recovered, and the social disruption still is felt by the villagers. Most natural resources injured by the spill still show little or no sign of recovery, according to the Exxon Valdez Trustee Council.

If we drill in the refuge, we threaten the unique wilderness system. And if we destroy the wilderness values in the Arctic Refuge, we also threaten an undisturbed ecosystem with its polar bears, snow geese and international porcupine caribou.

The very nature of the budget process will denigrate the values of the coastal plain which the public and previous Congresses have sought to protect. The debate will not be about whether wildlife and wilderness are worth more than the chance of finding oil—the debate will hinge on what scores for budget deficit purposes. How do you score polar bears, musk oxen and caribou? How do you measure the loss of an intact, undisturbed ecosystem to science? How will the Budget Committee account for the wilderness values which will be gone forever?

For all these reasons, Mr. President, I strongly object to the provision assuming leasing revenues from the coastal plain in the budget resolution. I strongly urge my colleagues to vote in favor of the Roth amendment.

Mr. LEAHY. Mr. President, this Congress should not have a yard sale to balance the budget.

A yard sale is an opportunity to clean house, to clear out things that have outgrown their usefulness, and to get rid of junk you don't need. The Alaska National Wildlife Refuge is not junk. It should not be drilled for oil to balance the budget.

The refuge is one of a kind—in fact, it's the last of its kind. The Alaska National Wildlife Refuge is the only place we have left that resembles the kind of land that gave birth to our Nation centuries ago.

I wonder how many people realize that outside this chamber, 500 years ago, the first Americans could hunt bison and elk in the open forests on the banks of the Potomac. I wonder how many people remember that outside this building passenger pigeons used to roost in American chestnut trees, sometimes in flocks of thousands.

Today the bison and elk are gone, the passenger pigeon is extinct, and the American chestnut has been wiped out in this region by an exotic disease. The first Americans wouldn't recognize this place.

Now we turn to a remote corner of our country, the last expanse of true wildness left, and Congress is saying ''we need that too—to balance the budget.'' On behalf of the children, I object.

Drilling for oil in the Alaska Wildlife Refuge has been a controversial issue for almost ten years. This is not a reason to sneak it into the budget resolution. This is an issue for the light of day, not for legislative tricks.

Drilling for oil in Alaska is not even going to be a major contribution to our deficit—the leasing revenues are only one-fifth of one percent of the budget gap.

Finally, Alaska, the State that gets more Federal dollars per person than any other State in the Union, will get at least 50 percent of the revenues, and the State wants to take 90 percent according to previous arrangements.

The Alaska National Wildlife Refuge is American treasure that does not belong to us—it is the heritage of our country. Just like the bald eagle, the grand canyon, and a good trout stream—ANWR exists for our enjoyment today and for the enjoyment of generations to come. It should not be laced with roads and drilled for oil.

I urge support of this bipartisan amendment.

Mrs. MURRAY. Mr. President, I am in strong support of the Roth amendment.

We cannot sacrifice the incomparable wilderness of the Arctic National Wildlife Refuge to support our bad spending habits. This refuge is one of the only remaining complete and undisturbed arctic ecosystems in the world. It is home to an abundance of wildlife, including grizzly and polar bears, muskoxen, wolves, and a host of migratory bird species. It is also home to the magnificent porcupine caribou herd, whose 160,000 members rely on this coastal plain for their calving grounds.

ANWR also provides essential habitat for people. The Gwich'in people have inhabited this arctic ecosystem for more than 20,000 years. They are dependent upon the caribou herd for their food source, clothing supply and culture.

Mr. President, this body could, today, begin a process that will signal the beginning of the end for many of the people and wildlife of ANWR. With this budget resolution, the doors will be opened wide for oil development in the Refuge. Oil development will likely disrupt the porcupine caribou and force them to change their calving grounds and migratory routes. This, in turn, will affect other wildlife and impact the lifestyle and culture of the Gwich'in people.

Proponents of development claim that only 13,000 acres of the Refuge will be impacted. While this may be true, that development will take place in the biological heart of ANWR and have a devastating impact on the wilderness values of the area. In this biological heart, developers will create a major industrial complex. They will build hundreds of miles of roads and pipelines, erect housing for thousands of workers, and construct two sea ports and one airport. These developments will lead to mining of enormous amounts of gravel, will require diversion of streams and will result in pollution of fragile tundra.

In addition to harming this precious piece of our heritage, I am skeptical about the revenue assumptions made in the budget resolution. The resolution assumes an intake of $1.4 billion from ANWR oil leases. This assumption is based on a split between the Federal Government and the State of Alaska of 60/40. While the Federal Government may push for this division, the state of Alaska has historically received 90 percent of the money from Arctic leases. It is likely that Alaska would file lawsuits to ensure that 10/90 split continues.

Leasing ANWR will not result in a balanced budget. Leasing ANWR will result in an imbalanced ecosystem in one of our greatest wilderness areas. I urge this body to protect the Refuge for future generations of Americans. Support the Roth amendment.

Mrs. BOXER. Mr. President, I rise in strong support of the Roth-Lautenberg amendment. This is a deficit neutral amendment that will correct a misguided policy assumption in the current budget resolution.

Mr. President, the 1996 budget resolution assumes 2.3 billion dollars in revenue over 7 years from leases to oil companies for oil exploration and development in the Arctic National Wildlife Refuge. It assumes the opening up of a unique wildlife refuge for the sake of oil development.

Mr. President, the 1980 passage of the Alaska National Interest Lands Conservation Act opened up 95 percent of Alaskan lands with high or favorable oil and gas potential to exploration and development.

That same act did NOT allow oil and gas exploration in an area of the coastal plain designated ''section 1002'' because of its uniqueness as a natural resource.

This ''Section 1002'' of the Arctic coastal plain is precisely the land area that the budget resolution assumes will be leased to oil companies for oil exploration activities.

Mr. President, in other words, the budget resolution assumes that exploration will occur in an area where in current law, it is explicitly illegal to do so.

What would the consequences be of opening up the Arctic plain to development?

I would like to quote to you from a passage written by Peter Matthiessen in his forward to the Natural Resources Defense Council report Tracking Arctic Oil:

> Today the oil companies have set their sights on the last undeveloped lands to the eastward, pressuring Congress for permission to exploit the 125 mile-long coastal plain of the Arctic National Wildlife Refuge, the very last protected stretch of our arctic coastline, where polar bears still hunt over the ice and come ashore, where a mighty herd of 180,000 caribou, with its attendant wolves, migrates each year from Canada to give birth to its young. . . . The danger posed by destructive and inefficient drilling in the Arctic with irremediable loss to wilderness and wildlife, is not an Alaskan problem. It is a national problem, a world problem.

Mr. President, the first step toward victory for those hungry oil companies occurred last week in the Senate, with the passage of a bill that would lift the ban on the export of Alaska North Slope Oil.

The lifting of the ban goes against all the principles on which Congress based its controversial and expensive decision to construct the Trans-Alaska Pipeline.

Today, we face step two: a budget resolution that assumes 2.3 billion dollars in revenue from oil exploration and development leases along the pristine coastal plane of the Arctic National Wildlife Refuge.

Republicans in the budget committee say that they are ''only leasing 8 percent of the 19 million acres of the Arctic Wildlife Refuge'', and that ''The development of the Arctic National Wildlife Refuge would only affect 13,000 acres''.

Those 13,000 acres are on the last pristine arctic coastal plain—and are part of the original wildlife range established by President Eisenhower in 1960. Those 13,000 acres are in an area that the House of Representatives has twice voted to designate as wilderness in order to give it permanent protection from any development.

The fact is, Mr. President, that what we are talking about here is turning the only remaining protected stretch of our arctic coastline into an immense industrial desert.

Mr. President, leadership is about finding long term solutions to problems—not temporary solutions.

The proposal to open the Alaska National Wildlife Refuge demonstrates lack of long term vision and a lack of leadership—I firmly believe this is not where the citizens of this Nation want to go.

The PRESIDING OFFICER. The question now occurs on agreeing to the amendment offered by the Senator from Delaware.

Mr. DOMENICI. Mr. President, the Roth amendment would reduce the instructions to the Energy Committee by $2.3 billion over 7 years and offset that reduction by increasing revenues $2.3 billion over the same period of time.

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

Mr. DOMENICI. The Senator assumes this would be ANWR. I add that to my explanation.

Mr. President, I move to table the amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

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

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 56, nays 44, as follows:

[Rollcall Vote No. 190 Leg.]

YEAS—56

Abraham	Ford	Lugar
Akaka	Frist	Mack
Ashcroft	Gorton	McCain
Bennett	Gramm	McConnell
Bond	Grams	Murkowski
Breaux	Grassley	Nickles
Brown	Gregg	Packwood
Burns	Hatch	Pressler
Campbell	Hatfield	Santorum
Coats	Heflin	Shelby
Cochran	Helms	Simpson
Conrad	Hollings	Smith
Coverdell	Hutchison	Specter
Craig	Inhofe	Stevens
D'Amato	Inouye	Thomas
DeWine	Johnston	Thompson
Dole	Kempthorne	Thurmond
Domenici	Kyl	Warner
Faircloth	Lott	

NAYS—44

Baucus	Feinstein	Moseley-Braun
Biden	Glenn	Moynihan
Bingaman	Graham	Murray
Boxer	Harkin	Nunn
Bradley	Jeffords	Pell
Bryan	Kassebaum	Pryor
Bumpers	Kennedy	Reid
Byrd	Kerrey	Robb
Chafee	Kerry	Rockefeller
Cohen	Kohl	Roth
Daschle	Lautenberg	Sarbanes
Dodd	Leahy	Simon
Dorgan	Levin	Snowe
Exon	Lieberman	Wellstone
Feingold	Mikulski	

So the motion to lay on the table the amendment (No. 1150) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

ARCTIC OIL RESERVE

Mr. MURKOWSKI. Mr. President, I am glad to see that amendment offered by the Senator from Delaware to strike a major source of new Federal revenues from the budget resolution was rejected by my colleagues. This source of new revenue is $2.3 billion from competitive bonus bids from leasing the oil and gas resources of an area in the northeast part of my State. This is an issue that is important to my State and to our Nation. This vote to keep those funds in the budget resolution is a clear indication that my colleagues would like to see the revenues from the leasing of this area considered in context of the budget deficit reduction effort.

Together with the other members of the Alaska delegation I opposed this amendment. The amendment was also opposed by the Inupiat Eskimo people who live on the North Slope; by the local government for this region, the North Slope Borough; by the Eskimo-owned Arctic Slope Regional Corp.; by the State of Alaska; by our Governor Tony Knowles, and by an overwhelming majority of Alaskans.

Mr. President, I want to review the history and the potentially huge benefits that opening the coastal plain to oil and gas leasing can provide to the Nation.

In the 1980 Alaska National Interest Lands Conservation Act Congress withdrew more than 19 million acres in northeast Alaska, 8 million acres were designated wilderness and another 11 million acres nonwilderness refuge lands. However, under section 1002 of that act Congress set aside about 1.5 million acres to study for oil potential. The purpose of the study was to evaluate the oil and gas values and the fish and wildlife values of this area.

In April 1987 the Department of the Interior released the legislative environmental impact statement and coastal plain report to the Congress.

This led to the recommendation of the Secretary of the Interior to open the 1002 area to oil and gas leasing. Let me quote from the report:

> The 1002 area is the Nation's best single opportunity to increase significantly domestic oil production. It is rated by geologists as the most outstanding petroleum exploration target in the onshore United States. Data from nearby wells in the Prudhoe Bay area and in the Canadian Beaufort Sea and Mackenzie Delta, combined with promising seismic data gathered on the 1002 area, indicate extensions of producing trends and other geologic conditions exceptionally favorable for discovery of one or more supergiant fields (larger than 500 million barrels).
>
> There is a 19-percent chance that economically recoverable oil occurs in the 1002 area. The average of all estimates of conditional economically recoverable oil resources (the ''mean'') is 3.2 billion barrels. Based on this estimate, 1002 area production by the year 2005 could provide 4 percent of total U.S. demand; provide 8 percent of U.S. production (about 660,000 barrels/day); and reduce imports by nearly 9 percent. This production could provide net national economic benefits of $79.4 billion, including Federal revenues of $38.0 billion.

The report continues:

> Discovery of 9.2 billion barrels of oil could yield production of more than 1.5 million barrels per day. Estimates of net national economic benefits based on 9.2 billion barrels of oil production, and other economic assumptions, are as high as $325 billion.

On April 8, 1991, the Department of the Interior issued a formal update of the recoverable petroleum reserves 1987 study and report. The major finding from the update was that the probability of economic success of finding commercial oil in the 1002 area was increased from 19 percent to 46 percent.

Let me place this in context. The probability of finding oil in the lower 48 States in an unexplored area is about 1 percent. As a result, 46 percent is unprecedented.

Mr. President, let me quote from the 1991 update:

The 1991 update of recoverable petroleum resources in the 1987 Arctic National Wildlife Refuge, Alaska Coastal Plain Assessment, also known as the 1002 Report, makes a considerable contribution to the knowledge and understanding of the petroleum geology of the 1002 area of the Arctic National Wildlife Rufuge (ANWR). This study reaffirms most of the conclusions and estimates made in the 1002 Report, and increases the level of confidence that ANWR is part of the North Slope oil province. This is demonstrated by the increase in the marginal probability of economic success from 19 percent in the original assessment to 46 percent in the current assessment. The increase in marginal probability means that ANWR has a higher potential for oil discovery. The overall Minimum Economic Field Size (MEFS) for the 1002 area has been lowered from about 0.44 billion barrels of oil (BBO) to about 0.40 BBO. The mean resource estimate has increased from 3.23 to 3.57 BBO.''

Mr. President, since this 1991 update, a number of new wells have been drilled near the 1002 area. A large number discovered oil and gas. Some of these wells may be commercial oilfields. These discoveries reflect very favorably on the prospect that the coastal plain contains major reserves of oil and gas.

As the reports quoted above make clear, the economic benefits of the coastal plains oil and gas reserves far exceed the $2.3 billion assumed in the pending budget resolution. The 1987 report notes that a discovery of 3.2 billion barrels of oil would produce net national economic benefits of $79.4 billion, including new Federal revenues of $38 billion. A discovery of 9.2 billion barrels would yield net national economic benefits of $325 billion and new Federal revenues of around $150 billion over the life of the oil fields.

The Department of Energy and Wharton Econometrics have done independent studies which project that leasing the coastal plain could create 250,000 to 732,000 new direct and indirect jobs in all 50 of our States.

Mr. President, in addition to providing a major stimulus to the economy and creating new jobs, opening the 1002 area will allow my State to continue to produce 25 percent or more of the Nation's domestic oil for an additional 30 or 40 more years. This is very important because Prudhoe Bay is now in decline. Since 1990, oil production has fallen from 2 million barrels a day to 1.6 million barrels a day. Every barrel of oil produced in Alaska is a barrel the United States does not have to buy abroad.

Senator Henry M. ''Scoop'' Jackson authored the Alaska Statehood Act and the Alaska Native Claims Settlement Act of 1971. Senator Jackson was a tough, no nonsense moderate Democrat. He was fair. He was accessible. He was informed. And he was balanced. Senator Jackson heard from all of the special interest groups, but he made his own decisions, based upon all of the facts and the interest of people and of the Nation.

Jackson, along with the senior Senator from Alaska, authored the legislation to open Prudhoe Bay to oil production by authorizing the Trans Alaska Pipeline Act in 1973. In the face of major opposition from the national environmental organizations, this legislation was adopted. As a result, the Nation has enjoyed two decades of major economic benefits.

Scoop also worked out the compromise that was reached which led to the study and report authorized in section 1002. The reason the 1.5 million acres was set aside was to consider the great oil potential in the area. Scoop included the provision of the national security concerns associated with our country being reliant on foreign oil. We are more reliant on foreign oil than ever before. We imported more than 50 percent of our oil consumption for the first time in 1994.

Mr. President, the opposition to opening the coastal plain to oil and gas leasing comes from the leaders of some of the Nation's large environmental organizations. My view is that the leaders of these organizations are misguided and poorly informed. I suspect that their opposition has more to do with ''fundraising'' objectives than it does with ''wilderness'' values.

The leaders of the environmental community have invested a great deal of time, effort, and money in the Gwich'in Indian steering committee. The steering committee is composed of some of the 400 Athabascan Indians who live in two villages on the Venetie Indian Reservation. The steering committee opposes opening the coastal plain. They are concerned that leasing and development might, in some unknown way, adversely impact the porcupine caribou herd. This herd of 160,000 animals annually migrates between Canada and the United States. In some years, the herd uses the southern portion of the coastal plain for forage and calving. Last year, North Slope Eskimos and Athabascan Indians took about 380 caribou from this herd of 160,000 animals for subsistence uses.

I respect the right of the Gwich'in steering committee to oppose resource development in the coastal plain. It is a decision, however, which is contrary to experience at Prudhoe Bay and elsewhere in the Arctic. Caribou are very adaptable. At Prudhoe Bay, the central Arctic caribou herd is flourishing with oil development. Since oil was discovered in Prudhoe Bay the central Arctic caribou herd has increased from 3,000 to 23,000 animals.

Further, the Gwich'in steering committees opposition to oil and gas leasing is a new development. In 1980 the Gwich'in people of Arctic village and Venetie villages leased all of the lands in their 1.7 million acre reservation to the Rouget Oil Co. of Tulsa, OK. This 20-page oil and gas lease did not contain any meaningful provisions to protect the porcupine caribou herd. This herd migrates annually through or near the Venetie Reservation. Yet, the Gwich'in leased all of their lands for $1.8 million on the basis that oil exploration and oil development would not adversely impact the herds well-being. I believe this leasing decision by the Gwich'in was correct. It is supported by studies of caribou and oil industry experience elsewhere, including Alaska's North Slope.

In 1984, the Gwich'in people hired a consultant to lease their reservation lands a second time after the Rouget Oil Co. oil and gas lease expired. And again, no concerns were expressed by the Gwich'in about any adverse impact on caribou.

The North Slope Inupiat Eskimo people are now asking for the same opportunity the Gwich'in had in the 1980's. They regret and I regret that the oil company that Gwich'in leased their lands to did not discover major reserves of oil and gas on their lands. The North Slope Eskimo people want the same right to do as the Gwich'in did in 1980. They want the right to explore the 92,000 acres of land they own at Kaktovik along with the surrounding Federal lands. And if these lands contain oil and gas in commercial amounts, they want the right to develop their land.

Mr. President, I am glad to see that the amendment from my colleagues from Delaware was defeated. We now can proceed with consideration of responsible oil and gas exploration and development of the best prospect for a major oil find in North America.

AMENDMENT NO. 1151

(Purpose: To restore funding for agriculture and nutrition programs)

Mr. EXON. 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 Nebraska [Mr. EXON], for himself, Mr. DASCHLE, Mr. CONRAD, and Mr. WELLSTONE, proposes an amendment numbered 1151.

Mr. EXON. 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 74, strike lines 12 through 24 and insert the following: ''budget, the revenue and spending aggregates may be revised and other appropriate budgetary aggregates and levels may be revised to reflect the additional deficit reduction achieved as calculated under subsection (c) for legislation that reduces revenues, and for legislation that will provide $15,000,000,000 in outlays to the Committee on Agriculture, Nutrition, and Forestry for the purpose of restoring outlay reductions required of that committee pursuant to section 6 of this resolution.

''(b) REVISED ALLOCATIONS AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon

the submission of a conference report on such legislation (if a conference report is submitted), the Chair of the Committee on the Budget of the Senate may submit to the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974; budgetary aggregates; and levels under this resolution, revised by an amount that does not exceed the additional deficit reduction specified under subsection (d).''.

Mr. DASCHLE. Mr. President, Senator EXON's amendment to restore $15 billion in agricultural spending is a step in the right direction for rural America. It is a step in the right direction for the American families who depend on USDA nutrition programs. It stands in stark contrast to the Republican budget that takes these funds from rural America, not to reduce the deficit, but to fund tax breaks for some of the wealthiest Americans.

The Exon amendment instead directs the $15 billion where it is most needed, to farmers who struggle each year to stay on the farm, to keep producing America's food and fiber supply, and to families who strike a rough patch when there is job loss or other bad luck, people trying to put food on the table and keep their families together.

The Republican budget, on the other hand, raids rural America to aid the comfortable. The Republican budget proposal would cut $45.9 billion out of the Agriculture Department over the next 7 years. That is likely to translate to around $12 billion in direct cuts to farm programs. It is a 20-percent cut in farm spending. It will contribute to the further deterioration of the economic and social fabric of rural America. No other sector of American life is being asked to absorb such a hit. We cannot have a prosperous Urban America riding on the back of an impoverished Farm America. Yet that's what Republican budget cuts will produce.

Farmers in South Dakota would see a devastating decline in their income of over $57 million. Other rural States will suffer similar pain. This budget is shortsighted for rural America and self-interested for the best off. It is not a balanced, fair proposal. It is not a budget that sustains the American tradition of building a strong farm sector, a tradition that has enjoyed bipartisan support until this Republican majority.

Make no mistake, the agricultural community recognizes the enormity of the Federal budget and is committed to reducing it. Farmers are some of our most fiscally conservative citizens. But America's producers—rightly—feel they should not be asked to bear a disproportionate share of spending reductions.

They are right. America's producers have already contributed their share. Long before the budget cutters turned to other programs to see where we could cut, farm producers over the last decade have already seen commodity program spending decline more than 60 percent. Other parts of the Federal budget have expanded, while agriculture has consistently been cut back. Now we are cutting into live growth, not deadwood. If other Federal sending had been reduced at anything near the same rate as agricultural spending has been, we would have a budget surplus. In this context, to make farmers take another deep cut just to give the richest Americans a tax break adds insult to injury.

Ideas have consequences and so do choices. If we choose to sacrifice a healthy farm sector to the momentary impulse to finance a tax cut, we will pay more down the road. We cannot disinvest and disinvest and disinvest in rural America, channeling support to virtually every other sector, without finally paying the price. The fact is, these cuts could easily cost us more than they save. Barely 10 years ago, in the mid-1980's, we learned the price of misguided and mistaken policies that starved rural America. We paid billions to repair the damage done by shortsighted farm policies, unforeseen weather patterns and changing economic conditions. There were more farm and rural business foreclosures and bankruptcies than at any time since the Great Depression.

Right now, producers in South Dakota and across the Midwest are suffering from unseasonably wet weather and destructive flooding. They cannot get their crops in the ground. So they will be struggling to make it through this difficult year even with the current level of farm spending. With the cuts in the Republican budget proposal, net income will plummet, and land prices will fall again. Another bad year could push many producers over the edge into insolvency.

We can and should do more to streamline agricultural programs, both to make them farmer friendly and to curb costs. But there is a difference in curbing costs and what this budget proposal does. This budget imposes a straightjacket on Congress as we are trying to write a better, more responsive and more flexible farm bill. This budget will prevent reasonable reform, not promote it. It is exactly the wrong way to go.

Mr. EXON. Mr. President, this amendment, using a $170 billion bonus surplus, gives $15 billion to the Agriculture Committee. The rest can still be used for tax cuts.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Are we ready to vote?

The PRESIDING OFFICER. We are ready to vote.

Mr. DOMENICI. Mr. President, the pending amendment is not germane to the provisions of the budget resolution. Pursuant to section 305 of the Budget Act, I raise the point of order against the pending amendment.

Mr. EXON. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive section 305(b) of that act for consideration of the pending amendment.

The PRESIDING OFFICER. The yeas and nays are ordered on the amendment.

Mr. EXON. Mr. President, I ask for the yeas and nays on the motion.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

VOTE ON MOTION TO WAIVE THE BUDGET ACT

The PRESIDING OFFICER. The question is on the motion to waive the Budget Act.

The yeas and nays have been ordered.

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 yeas and nays resulted—yeas 31, nays 69, as follows:

[Rollcall Vote No. 191 Leg.]

YEAS—31

Akaka	Feingold	Kohl
Baucus	Feinstein	Leahy
Bingaman	Ford	Moseley-Braun
Breaux	Harkin	Murray
Bumpers	Heflin	Nunn
Byrd	Hollings	Pryor
Conrad	Inouye	Robb
Daschle	Jeffords	Simon
Dodd	Johnston	Wellstone
Dorgan	Kennedy	
Exon	Kerrey	

NAYS—69

Abraham	Glenn	McConnell
Ashcroft	Gorton	Mikulski
Bennett	Graham	Moynihan
Biden	Gramm	Murkowski
Bond	Grams	Nickles
Boxer	Grassley	Packwood
Bradley	Gregg	Pell
Brown	Hatch	Pressler
Bryan	Hatfield	Reid
Burns	Helms	Rockefeller
Campbell	Hutchison	Roth
Chafee	Inhofe	Santorum
Coats	Kassebaum	Sarbanes
Cochran	Kempthorne	Shelby
Cohen	Kerry	Simpson
Coverdell	Kyl	Smith
Craig	Lautenberg	Snowe
D'Amato	Levin	Specter
DeWine	Lieberman	Stevens
Dole	Lott	Thomas
Domenici	Lugar	Thompson
Faircloth	Mack	Thurmond
Frist	McCain	Warner

The PRESIDING OFFICER. On this vote, the yeas are 31, the nays are 69. Three-fifths of the Senators duly chosen and sworn, not having voted in the affirmative, the motion is rejected, and the Chair sustains the point of order.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the motion was rejected.

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

The motion to lay on the table was agreed to.

Mr. FAIRCLOTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

AMENDMENT NO. 1152

(Purpose: To express the sense of the Senate regarding reimbursement to the States for the costs of implementing the National Voter Registration Act of 1993 under budget function 800)

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Georgia [Mr. COVERDELL] proposes an amendment numbered 1152.

Mr. COVERDELL. 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 end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING THE COSTS OF THE NATIONAL VOTER REGISTRATION ACT OF 1993.

It is the sense of the Senate that within the assumptions under budget function 800 funds will be spent for reimbursement to the States for the costs of implementing the National Voter Registration Act of 1993.

Mr. COVERDELL. 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.

Mr. DOMENICI. Mr. President, the Coverdell amendment is a sense-of-the-Senate resolution stating that the funds within this resolution should be spent for reimbursement to States for motor-voter mandates.

Mr. HATFIELD. Mr. President, as the lead Republican sponsor of the National Voter Registration Act, I was very interested in a recent New York Times article reporting on the progress of voter registration since the bill's implementation in January of this year. Over 2 million new voters have been registered in the first quarter of 1995 and the National Motor-Voter Coalition estimates that approximately 20 million new voters will be registered by the 1996 Presidential election.

It is very gratifying to hear that this important program is being implemented successfully and that the results are exceeding our expectations. I realize there are concerns about this law being a burden to the States and its financial impact on them. However, I would remind my colleagues that many innovative States, including Oregon, led the way for the Federal Government by adopting State motor-voter laws and supported a national law. Additionally, according to the Congressional Budget Office study on the implementation costs of motor-voter, the aggregate costs for States would be 20 to 25 million annually for 5 years. Mr. President, this does not meet the requirements of the Federal unfunded mandate legislation passed earlier this year by the Senate—which I supported.

It is our obligation as policy-makers to protect the voting process and, at the same time, to make it accessible. The motor-voter law effectively achieves both of these important responsibilities and, therefore, I voted against the Coverdell amendment to the budget resolution.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Georgia. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

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

The result was announced—yeas 51, nays 49, as follows:

[Rollcall Vote No. 192 Leg.]

YEAS—51

Abraham	Gorton	McConnell
Bennett	Gramm	Murkowski
Bond	Grams	Nickles
Brown	Grassley	Packwood
Burns	Gregg	Pressler
Campbell	Hatch	Roth
Coats	Helms	Santorum
Cochran	Hutchison	Shelby
Cohen	Inhofe	Simpson
Coverdell	Kassebaum	Smith
Craig	Kempthorne	Snowe
D'Amato	Kohl	Specter
DeWine	Kyl	Stevens
Dole	Lott	Thomas
Domenici	Lugar	Thompson
Faircloth	Mack	Thurmond
Frist	McCain	Warner

NAYS—49

Akaka	Feingold	Levin
Ashcroft	Feinstein	Lieberman
Baucus	Ford	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Bradley	Hatfield	Nunn
Breaux	Heflin	Pell
Bryan	Hollings	Pryor
Bumpers	Inouye	Reid
Byrd	Jeffords	Robb
Chafee	Johnston	Rockefeller
Conrad	Kennedy	Sarbanes
Daschle	Kerrey	Simon
Dodd	Kerry	Wellstone
Dorgan	Lautenberg	
Exon	Leahy	

So the amendment (No. 1152) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1153

(Purpose: To maintain public funding for Presidential campaigns)

Mr. EXON. 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 Nebraska [Mr. EXON], for Mr. KERRY, proposes an amendment numbered 1153.

Mr. EXON. 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 64, strike lines 17 through 19 and insert the following: ''$2,000,000 in fiscal year 1996, $37,000,000 for the period of fiscal years 1996 through 2000, and $72,000,000 for the period of fiscal years 1996''.

On page 66, line 6, decrease the amount by $70,000,000.

On page 66, line 13, decrease the amount by $70,000,000.

On page 66, line 14, decrease the amount by $28,000,000.

On page 66, line 20, decrease the amount by $70,000,000.

On page 66, line 21, decrease the amount by $215,000,000.

On page 67, line 2, decrease the amount by $70,000,000.

On page 67, line 3, decrease the amount by $4,000,000.

On page 67, line 9, decrease the amount by $70,000,000.

Mr. EXON. Mr. President, this removes instructions to the Rules Committee that repeals spending limits and public financing for Presidential campaigns, returning to pre-Watergate rules for those campaigns. Offset approximately $250 million over 7 years, of reduced overhead and administrative costs spread across Government by the Appropriations Committee.

PRESIDENTIAL CAMPAIGN FUND

Mr. FEINGOLD. Mr. President, and I would like to thank the junior Senator from Massachusetts for offering his amendment that would derail this misguided effort to eliminate the Presidential election campaign fund.

It came as a surprise—and a disappointment—to many of us that when the Republican Party announced last fall their new Contract With America and declared their commitment to reforming the Congress and ending business as usual in Washington, that they did not even bother to mention campaign finance reform in their contract.

Well, we are now out from under the first 100 days of the contract, and there is still no indication that the Senate will be turning to campaign finance reform anytime soon.

But not only are we going to be prevented from taking a step forward, the budget resolution before us today would push us back—20 years back—to the days before Congress recognized how fundamentally flawed our system of Presidential campaigns was.

Mr. President, what in the world is the logic behind this? As far as I know, even the most vocal opponents of the Presidential campaign system are not willing to suggest that we have had a single unfair Presidential election in the past 20 years. Nor has any general election candidate for President, to my knowledge, ever said in the past 20 years that their loss was attributable to the lack of financial resources.

That is because the Presidential campaign finance system is based on simple principles. One principle is that money should not determine the outcome of elections. Another is that elected officials should not be spending inordinate amounts of time on the phone soliciting campaign funds.

That is what the Presidential system is about. If there is a problem of inadequate funding of the Presidential campaign fund, then that should be addressed. We did it 2 years ago and we can do it again.

But instead, this resolution is trying to fix a wristwatch with a sledgehammer, preferring to discard the one

Federal campaign system that has produced fair and competitive elections during the last 20 years rather than finding a targeted solution to ensuring the solvency of the Presidential fund.

Finally, I have to ask why the Republicans are trying to do this under the camouflage of the budget resolution. If opponents of the Presidential system want to eliminate it, then let us have public hearings in the Rules Committee and have an intelligent discussion about it.

If opponents of public financing are so convinced that the American people are also opposed to public financing, why are the opponents so reluctant to have a public debate on this issue on the floor of the U.S. Senate?

There is not a single word in the budget resolution about what we are going to replace the Presidential system with.

But again, I have not heard anyone in the nearly 20 years of this system's existence criticize it for being unfair to challengers, unfair to either party, or dominated by special interests.

This is a system we need to emulate, not eliminate.

I thank the Senator from Massachusetts for his leadership on this issue and I yield the floor.

Mr. BIDEN. Mr. President, since I was elected to the Senate in 1972, one of my central themes has been to get special-interest money out of political campaigns. The first testimony I every gave as a U.S. Senator was before the Senate Rules Committee in favor of public funding—instead of special-interest funding—of political campaigns.

Unfortunately, we have not moved forward as much as I would have liked or as much as I have repeatedly advocated. And, what little we have done is now on the chopping block.

The Republican budget would eliminate the only positive step we have taken in the last 20 years to clean up our political campaign system—getting special-interest money out of the general election campaigns for President and limiting the amount Presidential candidates can spend. Now, the Republicans are trying to let the special-interest, big money back in.

The Republican budget would repeal the Presidential campaign check-off system. It is a rather simple system. When you file your income taxes each year, you can check off the box at the top of the tax form to have $3 of your taxes go to finance Presidential campaigns. It is a voluntary system. No one has to check it off. No ones taxes are affected by the decision. And, the only money that goes to Presidential campaigns is the money that people check off voluntarily. In exchange for taking the money, Presidential candidates must limit how much they spend.

A simple system. A voluntary system. And, yet the system has worked. No more special interest money in the general election, and no more runaway spending.

In the last 20 years, very few people have accused Presidential candidates of being beholden to special interest. Less than 1 percent of the money in Presidential campaigns comes from PAC's—political action committees. And, once the Presidential primaries are over, the quest for money essentially ends. Candidates can spend their time debating the issues—not catering to special-interests.

Meanwhile, spending has been held down. Consider this: in the 1992 Presidential election, President Clinton and President Bush combined spent less in constant dollars then President Nixon spent all by himself in the Watergate election of 1972—before there were spending limits and before there was the Presidential check-off system.

What has been the result of all of this compared to the old system? Cleaner campaigns, fairer campaigns, more competitive campaigns, campaigns more focuses on the issues, and campaigns with limited spending.

Mr. President, I urge my colleagues to support the Kerry amendment, which I have cosponsored. It would keep the Presidential check-off system in tact. Now is not the time to return Presidential campaigns to the days of runaway spending controlled by special interests.

This system is not broken. We should not break it.

AMENDMENT NO. 1154 TO AMENDMENT NO. 1153

(Purpose: To express the Sense of the Senate on use of the Presidential Election Campaign Fund in regard to sexual harassment)

Mr. McCONNELL. Mr. President, I send a second-degree 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 Kentucky [Mr. McCONNELL] proposes an amendment numbered 1154 to amendment No. 1153.

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

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE.

It is the sense of the Senate that the assumptions underlying function 800 include the following: that payments to presidential campaigns from the Presidential Election Campaign Fund, as authorized by the Federal Election Campaign Act of 1974, should not be used to pay for or augment damage awards or settlements arising from a civil or criminal action, or the threat thereof, related to sexual harassment.

Mr. McCONNELL. Mr. President, today—on C–SPAN—we answer the question: can we ever get rid of any government program?

Even if the program is wasteful, even if it is a proven failure, even if we've been spending taxpayers' money on it against their will—will we put a stop to it?

Even if the program is a complete boondoggle for politicians—in fact, politicians receive every dime from it—can Congress bring itself to kill such a program? Stay tuned.

The Budget Committee, under the able leadership of Chairman DOMENICI, wisely chose to end the failed Presidential Election Campaign Fund program. Make no mistake: the Presidential Election Campaign Fund is not simply troubled or fraught with problems—it is an utter failure.

It has not achieved any of its stated objectives. It does not limit special interests. It does not lessen the money chase. It does not even limit spending. On the other hand, it does distort the political process, by causing campaigns to employ battalions of lawyers to seek out and exploit loopholes. It does fork over millions of taxpayer dollars to fringe candidates like Lenora Fulani, and even criminals like Lyndon LaRouche.

It was the reformers' dream. It has become the taxpayers' nightmare.

From beginning to end, the Presidential system of spending limits and voluntary taxpayer funding is a hoax that 85 percent of American taxpayers are not falling for. The tax return checkoff mechanism, which feeds the fund, is itself a fraud. The checkoff appropriates money out of the Treasury. It gives a tiny minority—14.5 percent of filers checked ''yes'' on their 1993 returns—the power to appropriate tax dollars paid by all Americans.

The system is not voluntary for the 85 percent of American taxpayers who choose not to check ''yes,'' but are forced to pay for the few who do. These checkoff dollars don't come out of the pocket of those who check ''yes''—anymore than appropriations bills come out of the pockets of the Senators who vote for them.

Democracy would be aided—not imperiled—by the demise of the Presidential fund. Every year, Americans vote on this fund, via the tax checkoff. It is the largest single public opinion poll conducted annually in this country, on the popularity of taxpayer financing of campaigns.

The high water-mark—28.7 percent checking ''yes''—was realized on the 1980 tax returns. It's been a downward trajectory since, even though the dollar checkoff has itself been eroded by inflation and presumably would be an increasingly inexpensive proposition. Therefore, to get more money out of fewer people, President Clinton's 1993 budget/tax bill tripled the checkoff to $3. The result was a 23-percent decrease in the checkoff rate—fewer people than ever supporting it—while the total amount diverted from the Treasury increased 258 percent, from $28 million to $71 million.

I can tell you there is no outpouring of support among Kentuckians, or residents of any other State, for this program. In fact, they are crying out that

they do not want their tax dollars paying for anyone's campaign. Not the President's. Not Lenora Fulani's. Not anybody's.

And certainly they aren't interested in paying for a campaign that Lyndon LaRouche ran from his prison cell. Nevertheless, LaRouche received Federal matching funds for the Presidential campaign he conducted while serving a 15-year sentence for fraud. Having run in 1980, 1984, 1988, and 1992, he's now planning another run in 1996—courtesy of the taxpayers. Maybe the fifth time's a charm.

And then there's Lenora Fulani—I'm hoping to make Ms. Fulani as famous as Senator GRAMM has made Dicky Flatt; because no one knows who she is. Well, you may not know Ms. Fulani, but you're paying her campaign bills through the presidential fund.

Lenora Fulani is with the New Alliance Party, another household word in politics. Ms. Fulani is the lucky recipient of over $3.5 million in taxpayer dollars over the course of three elections—1994, 1988, 1992.

In fact, she's gotten so good at the game that she was the first candidate—ahead of George Bush, Bill Clinton, and all the rest—to qualify for matching funds for the 1992 campaign. Anyone want to bet there will be another Fulani candidacy in 1996? Who could resist millions of dollars in taxpayer largesse?

As these fringe candidates proliferate, I can imagine the Presidential fund enlisting Ed McMahon to notify all those who qualify that they have won the grand prize: an all-expense-paid Presidential election campaign—not from Publishers Clearinghouse, but from the American taxpayers.

Some proponents of taxpayer-financed campaigns say it is inappropriate—even hypocritical—for those who have participated in the Presidential system to oppose it. That is absurd. If that were the case—that participating in the system is tantamount to endorsing it—then what should be said about all those from the other side who run for the Senate under a system they want to replace with taxpayer financing and spending limits?

Mr. President, playing by the rules as they exist does not, nor should it, preclude anyone from trying to change them for the better. I haven't seen anyone from the other side volunteer to abide by spending limits because they think they're such a great idea. Is that what is being suggested?

In the same way, Presidential candidates must participate in the system as it is, not as they would like it to be. That being the case, every single candidate running for President but two has decided, quite logically, to accept the funding—because not to do so would cede a huge financial advantage to other candidates.

Not surprisingly, the only two major candidates who have turned down this generous subsidy were extremely wealthy: millionaire John Connally in 1980 and billionaire Ross Perot in 1992.

So the notion that you are precluded from reforming a program that you have almost no choice but to participate in is absolutely ludicrous, and should be ignored.

But there is another argument against reforming the Presidential system that should not just be ignored—it should be condemned.

Common Cause—which has perfected the art of hysterical, money-grubbing direct-mail appeals—issued a letter on May 11 in which it said that opposition to taxpayer financing of Presidential campaigns is an endorsement of corruption. It went on to charge that a vote for the budget resolution—as is—is a vote for corruption.

Over the years, Common Cause has dished up so much disinformation on campaign finance reform, under the guise of good government, that even the Democrats ignore them—or barely tolerate them. They have become a parody of their former selves—just another self-interested Washington lobby, adding to the cacophony of government-bashing, while making a tidy sum in the process. But this goes beyond the pale.

The Presidential Election Campaign Fund is a failed relic from the post-Watergate reform era. In fact, most of the proposals that were enacted in that era were struck down by the Supreme Court as wholesale trampling of constitutional freedoms. So the fact that this system was conceived in the wake of Watergate is not necessarily an impressive pedigree.

But since the proponents of taxpayer financing like to invoke Watergate, I'd like to read directly from the report prepared by the Senate Select Committee on Watergate, which was charged with making legislative recommendations to deal with the issues raised by this scandal.

Recommendation No. 7, which appears on page 572 of that report, reads as follows:

> The committee recommends against the adoption of any form of public financing in which tax moneys are collected and allocated to political candidates by the Federal Government. * * * [t]he committee takes issue with the contention that public financing affords either an effective or appropriate solution. Thomas Jefferson believed 'to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors, is sinful and tyrannical.'
>
> The Committee's opposition is based, like Jefferson's, upon the fundamental need to protect the voluntary right of individual citizens to express themselves politically as guaranteed by the first amendment. Furthermore, we find inherent dangers in authorizing the Federal bureaucracy to fund and excessively regulate political campaigns.
>
> The abuses reexperienced during the 1972 campaign and unearthed by the Select Committee were perpetrated in the absence of any effective regulation of the source, form, or amount of campaign contributions. In fact, despite the progress made by the Federal Election Campaign Act of 1971, in requiring full public disclosure of contributions, the 1972 campaign still was funded through a system of essentially unrestricted, private financing.
>
> What now seems appropriate is not the abandonment of private financing, but rather the reform of that system in an effort to vastly expand the voluntary participation of individual citizens while avoiding the abuses of earlier campaigns.

That is what the Watergate Select Committee had to say about the matter. So you can call taxpayer financing of campaigns a Common Cause reform, but don't call it a Watergate reform, because the Senate committee in charge of formulating a response to the crisis rejected the idea, flat-out.

The fact that the Presidential Election Campaign Fund slipped through, thereby putting the Government in the business of bribing people to forfeit their constitutional rights, is an unfortunate legacy of those tumultuous years. But just because the fund has barely survived for two decades—teetering on the brink of bankruptcy before President Clinton bailed it out 2 years ago with taxpayers' money—does not justify its perpetuity.

It is the myopia of big-Government liberals that prevents them from seeing that anything could possibly replace a Government program. So we need to answer the question: What would exist after the Presidential fund's demise?

Why, a system in which private citizens voluntarily contribute publicly disclosed and limited donations to the candidates of their choice—in other words, the system contemplated by the Watergate Select Committee.

Perhaps now, 20 years after Watergate, Congress can finally get it right.

Of course, I expect the professional government-bashers like Common Cause to say that reverting to a privately funded Presidential system is somehow a guarantee of corruption. They have been calling the privately financed congressional system corrupt for years. In their view, the only clean money is the taxpayers' money.

You see, they have this theory that your hard-earned money is dirty and corrupting until it's been laundered by the Internal Revenue Service. It's a very interesting theory, to say the least.

However, we have already pumped nearly a billion dollars of the taxpayers' money into the Presidential system, and it has not achieved any of the purported goals of that system. The congressional system, on the other hand, doesn't use a dime of taxpayers' money for political campaigns, and if there are instances where it has bred corruption, then—as chairman of the Senate Ethics Committee—I would like to hear about them and we will investigate them to the fullest.

If the issue really is corruption, then contribution limits and public disclosure are the best preventive measures—not another taxpayer-funded Government program.

But I think the charge of corruption here is just a convenient smoke-screen to maintain the status quo and to let this failed and wasteful system continue in perpetuity.

I think the real issue before us is whether this Congress, faced with a $4.7 trillion-dollar debt, will step up to the challenge of eliminating any Government program, even one with as dismal a record as the failed Presidential system.

As I said at the outset: despite the expenditure of millions of tax dollars, this system has not curbed special interests. It has not ended the money chase. It has not reduced the emphasis on fundraising. It has not even limited campaign spending, as misguided a goal as that is.

In fact, this Government program is an utter embarrassment: the Federal Election Commission can't even finish its audits of candidates until they're ready to run again. Every candidate except one has been cited for inadvertent violations. Accountants and lawyers are blowing open new loopholes every election that hold the entire system up to ridicule.

And what is the money being spent on? Convenient balloons. Negative ads. Consultants. Opposition research. Just the things that American taxpayers are telling us they want more of.

Will Congress step up to the plate and put at least one wasteful Government program out of business? Will Congress let the taxpayers off the hook—just once? Will Congress get rid of this exclusive perk for politicians?

Inquiring taxpayers want to know.

It's time to pull the plug on the taxpayer-financed Presidential system. It should surprise no one that this Republican Congress, in pursuant of a balanced budget, should seek to abolish a proven failure like the Presidential Election Campaign Fund. This is one entitlement program on which the sun should have set—a long time ago.

SECOND-DEGREE—SEXUAL HARASSMENT

However, if the Senator from Massachusetts prevails in his quest to continue taxpayer-financing of Presidential campaigns, then at the least we should take some steps to reassure taxpayers that their money is used for legitimate campaign purposes. The Presidential Election Campaign Fund should not be used to quash scandals such as allegations of sexual harassment. Such abuse of taxpayer funds itself impairs public confidence in Government.

The second-degree amendment that I am putting forth simply states:

> It is the sense of the Senate that the assumptions underlying function 800 include the following: that payments to presidential campaigns from the Presidential Election Campaign Fund, as authorized by the Federal Election Campaign Act of 1974, should not be used to pay for or augment damage awards or settlements arising from a civil or criminal action, or the threat thereof, related to sexual harassment.

Mr. President, this is not a hypothetical. It came to light—2½ years after the fact—that President Clinton's 1992 taxpayer-funded Presidential campaign used $37,500 to settle a sexual harassment suit against one of the then-candidate's top aides.

This expense item was discovered during the course of an audit of the Clinton campaign which resulted in a recommendation that the campaign repay to the Treasury a record $4 million. The Commission ultimately scaled back the repayment. Along with items including $180,000 in questionable petty cash disbursements, $70,000 for lost rental cars, computers and other equipment, was the $37,500 to settle what the campaign termed an ''employment dispute.''

The Clinton campaign had listed the expense as consulting fees. How much of it was in fact for consulting and how much was for keeping quiet, is unclear. The Washington Post reported on February 15 of this year that ''. . . given the dearth of information the campaign provided, the FEC has ordered it to repay $9,675 in Federal funds that were used in the payment.''

Mr. President, the confidentiality clause in the agreement between the claimant and the Clinton campaign impeded the audit and with repayment of part of the money the Federal Election Commission has reportedly closed the investigation. Considering that taxpayer funds intended for Presidential campaigning are involved, perhaps the matter should be revisited. In any event, the Senate should make clear that taxpayer funds drawn from the Presidential Election Campaign Fund should not be used to coverup charges of sexual harassment.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, Senator McCONNELL's second-degree amendment is a sense of the Senate that Presidential campaign fund moneys should not go toward settling sexual harassment suits.

Mr. McCONNELL. I ask for the yeas and nays.

Mr. KERRY. Mr. President, I simply would like to say to the manager, we are prepared to accept this. We can save the Senate time and proceed to the underlying amendment.

Mr. McCONNELL. Mr. President, I would like to have a vote on this.

Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment No. 1154 offered by the Senator from Kentucky [Mr. McCONNELL]. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 100, nays 0, as follows:

[Rollcall Vote No. 193 Leg.]

YEAS—100

Abraham	Biden	Breaux
Akaka	Bingaman	Brown
Ashcroft	Bond	Bryan
Baucus	Boxer	Bumpers
Bennett	Bradley	Burns
Byrd	Harkin	Moynihan
Campbell	Hatch	Murkowski
Chafee	Hatfield	Murray
Coats	Heflin	Nickles
Cochran	Helms	Nunn
Cohen	Hollings	Packwood
Conrad	Hutchison	Pell
Coverdell	Inhofe	Pressler
Craig	Inouye	Pryor
D'Amato	Jeffords	Reid
Daschle	Johnston	Robb
DeWine	Kassebaum	Rockefeller
Dodd	Kempthorne	Roth
Dole	Kennedy	Santorum
Domenici	Kerrey	Sarbanes
Dorgan	Kerry	Shelby
Exon	Kohl	Simon
Faircloth	Kyl	Simpson
Feingold	Lautenberg	Smith
Feinstein	Leahy	Snowe
Ford	Levin	Specter
Frist	Lieberman	Stevens
Glenn	Lott	Thomas
Gorton	Lugar	Thompson
Graham	Mack	Thurmond
Gramm	McCain	Warner
Grams	McConnell	Wellstone
Grassley	Mikulski	
Gregg	Moseley-Braun	

So the amendment (No. 1154) was agreed to.

The PRESIDING OFFICER. At this time, we will proceed to the vote on the adoption of amendment No. 1153, as amended.

Mr. DOMENICI. Mr. President, is the pending amendment the Glenn amendment?

The PRESIDING OFFICER. No, it is the Exon for Kerry amendment No. 1153.

Mr. DOMENICI. I do not need to say anything. I am going to sit down.

VOTE ON AMENDMENT NO. 1153, AS AMENDED

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1153, as amended.

Mr. McCONNELL. 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 clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 56, nays 44, as follows:

[Rollcall Vote No. 194 Leg.]

YEAS—56

Akaka	Feinstein	Lugar
Baucus	Ford	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Bradley	Heflin	Nunn
Breaux	Hollings	Pell
Bryan	Inouye	Pryor
Bumpers	Jeffords	Reid
Byrd	Johnston	Robb
Campbell	Kassebaum	Rockefeller
Chafee	Kennedy	Sarbanes
Cohen	Kerrey	Simon
Conrad	Kerry	Snowe
Daschle	Kohl	Specter
Dodd	Lautenberg	Stevens
Dorgan	Leahy	Thompson
Exon	Levin	Wellstone
Feingold	Lieberman	

NAYS—44

Abraham	Cochran	Faircloth
Ashcroft	Coverdell	Frist
Bennett	Craig	Gorton
Bond	D'Amato	Gramm
Brown	DeWine	Grams
Burns	Dole	Grassley
Coats	Domenici	Gregg

Hatch	Mack	Santorum
Hatfield	McCain	Shelby
Helms	McConnell	Simpson
Hutchison	Murkowski	Smith
Inhofe	Nickles	Thomas
Kempthorne	Packwood	Thurmond
Kyl	Pressler	Warner
Lott	Roth	

So the amendment (No. 1153), as amended, was agreed to.

Mr. FORD. Mr. President, I move to reconsider the vote.

Mr. EXON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1155

(Purpose: To restore the IRS compliance initiative)

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

The VICE PRESIDENT. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. GLENN and Mr. SIMON, proposes an amendment numbered 1155.

The amendment is as follows:

On page 79, strike lines 1 through 3.

Mr. EXON. Mr. President, this amendment would restore the budget structure of the IRS compliance initiative which now is established in last year's budget resolution with bipartisan support. The initiative was established off budget because of its return of $5 for every $1 spent. This budget resolution would change that structure, placing the IRS initiative under the spending caps.

The amendment strikes that language to ensure that the compliance initiative will be fully funded at $9.2 billion over 5 years and delinquent taxes brought to the Treasury.

The VICE PRESIDENT. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I do not object to the statement, but frankly I hope we will exchange statements in the future. That statement is a little more editorialized comment than I thought we would have, but nonetheless it has been done.

AMENDMENT NO. 1156

(Purpose: To retain the budget resolution's prohibition against off-budget funding for the IRS and add a Sense of the Senate that the Senate should pass the ''Taxpayers Bill of Rights 2'')

Mr. DOMENICI. Mr. President, I send an amendment in the nature of a substitute on behalf of myself and Senator GRASSLEY to the desk and ask for its immediate consideration.

The VICE PRESIDENT. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself and Mr. GRASSLEY, proposes an amendment numbered 1156.

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

The VICE PRESIDENT. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the language proposed to be stricken insert the following:

SEC. 209. REPEAL OF IRS ALLOWANCE.

(a) Section 25 of House Concurrent Resolution 218 (103d Congress, 2d Session) is repealed.

(b) It is the sense of the Senate that the revenue levels contained in the budget resolution should assume passage of the ''Taxpayers Bill of Rights 2'' and that the Senate should pass the Taxpayers Bill of Rights 2 this Congress.

(c) It is the sense of the Senate that funding for tax compliance efforts should be a top priority and that the assumptions underlying the functional totals in this resolution include the administration's full request for the Internal Revenue Service.

The VICE PRESIDENT. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, this amendment repeals the special off-budget treatment of the IRS compliance initiative. The budget resolution already provides full funding of the initiative within the discretionary caps.

I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator from Ohio.

AMENDMENT NO. 1157 TO AMENDMENT NO. 1156

Mr. GLENN. Mr. President, I send an amendment to the desk in the second degree and ask for its immediate consideration.

The VICE PRESIDENT. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio [Mr. GLENN] proposes an amendment numbered 1157 to amendment No. 1156.

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

The VICE PRESIDENT. Without objection, it is so ordered.

The amendment is as follows:

In the pending amendment, strike lines 1–3.

The VICE PRESIDENT. The majority leader is recognized.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOLE. Mr. President, I have had discussion with the distinguished Democratic leader. I would like to enter into a unanimous-consent agreement. I understand the amendments have climbed to 50, so there will be 50 votes. We started at 31, got down to 20, and now it has gotten up to 50.

So I ask unanimous consent that the only first-degree amendments in order to the budget resolution be those submitted by 5:15 this evening.

Is there objection to that?

Mr. FORD. What about second degree?

Mr. DOLE. This only applies to first degree.

Mr. DASCHLE. We have been discussing this agreement. This would not preclude second-degree amendments. The sponsors of the amendments would have to turn them in to the managers prior to 5:15. I think it is a good suggestion and I hope we can accommodate it.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

Mr. STEVENS. Which one are we voting on now?

The VICE PRESIDENT. The Senator from Nebraska.

Mr. EXON. Mr. President, the second-degree amendment strikes language in the Grassley-Domenici amendment which would restructure the IRS compliance initiative placing it within the budget caps.

The VICE PRESIDENT. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, the second-degree amendment returns the situation to where it was before I offered my amendment, which means that if this amendment is adopted, the IRS will continue to have special off-budget treatment of their budget instead of it being included in the budget like others.

The VICE PRESIDENT. The question is on the second-degree amendment.

VOTE ON MOTION TO TABLE AMENDMENT NO. 1157 TO AMENDMENT NO. 1156

Mr. DOMENICI. I move to table the second-degree amendment. Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 58, nays 42, as follows:

[Rollcall Vote No. 195 Leg.]

YEAS—58

Abraham	Feingold	McConnell
Ashcroft	Frist	Murkowski
Baucus	Gorton	Nickles
Bennett	Gramm	Packwood
Bingaman	Grams	Pressler
Brown	Grassley	Pryor
Bumpers	Gregg	Roth
Burns	Hatch	Santorum
Campbell	Hatfield	Shelby
Chafee	Heflin	Simpson
Coats	Helms	Smith
Cochran	Hutchison	Snowe
Cohen	Inhofe	Specter
Coverdell	Kassebaum	Stevens
Craig	Kempthorne	Thomas
D'Amato	Kyl	Thompson
DeWine	Lott	Thurmond
Dole	Lugar	Warner
Domenici	Mack	
Faircloth	McCain	

NAYS—42

Akaka	Ford	Levin
Biden	Glenn	Lieberman
Bond	Graham	Mikulski
Boxer	Harkin	Moseley-Braun
Bradley	Hollings	Moynihan
Breaux	Inouye	Murray
Bryan	Jeffords	Nunn
Byrd	Johnston	Pell
Conrad	Kennedy	Reid
Daschle	Kerrey	Robb
Dodd	Kerry	Rockefeller
Dorgan	Kohl	Sarbanes
Exon	Lautenberg	Simon
Feinstein	Leahy	Wellstone

So the amendment (No. 1157) was agreed to.

Mr. GORTON. Mr. 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.

AMENDMENT NO. 1156

The VICE PRESIDENT. The question recurs on amendment No. 1156 offered by the Senator from New Mexico.

The question is on agreeing to the amendment.

The amendment (No. 1156) was agreed to.

The VICE PRESIDENT. The adoption of the Domenici amendment renders the underlying amendment moot.

Mr. GORTON addressed the Chair.

The VICE PRESIDENT. The Senator from Washington.

Mr. GORTON. I am authorized to make an announcement by the majority leader that there will be no further votes until 5 p.m.

RECESS

The VICE PRESIDENT. Under the previous order, the Senate will stand in recess until 5 p.m.

Whereupon, at 4:19 p.m., the Senate recessed until 5 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. JEFFORDS).

The PRESIDING OFFICER. The majority manager of the bill is recognized.

AMENDMENT NO. 1158

Mr. EXON. Mr. President, on behalf of Senators BOXER, MURRAY, LAUTENBERG, and FEINSTEIN, 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 Nebraska [Mr. EXON], for Mrs. BOXER, for herself, Mrs. MURRAY, Mr. LAUTENBERG, and Mrs. FEINSTEIN, proposes an amendment numbered 1158.

Mr. EXON. 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 add the following: ''It is the sense of Congress that no Member of Congress may use campaign funds to defend against sexual harassment lawsuits.''

Mr. EXON. Mr. President, this a sense of the Congress that no Member of Congress may use campaign funds to defend against sexual harassment lawsuits.

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.

Mr. DOMENICI. 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. DOMENICI. 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. DOMENICI. Are we prepared to vote?

Mr. EXON. We are prepared for the vote. I asked for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been ordered.

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

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.

VOTE ON MOTION TO LAY ON THE TABLE AMENDMENT NO. 1158

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table amendment No. 1158.

The clerk will call the roll.

The legislative clerk called the roll.

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

The result was announced—yeas 1, nays 99, as follows:

[Rollcall Vote No. 196 Leg.]

YEAS—1

Packwood

NAYS—99

Abraham	Feingold	Lott
Akaka	Feinstein	Lugar
Ashcroft	Ford	Mack
Baucus	Frist	McCain
Bennett	Glenn	McConnell
Biden	Gorton	Mikulski
Bingaman	Graham	Moseley-Braun
Bond	Gramm	Moynihan
Boxer	Grams	Murkowski
Bradley	Grassley	Murray
Breaux	Gregg	Nickles
Brown	Harkin	Nunn
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

So the motion to lay on the table the amendment (No. 1158) was rejected.

AMENDMENT NO. 1159 TO AMENDMENT NO. 1158

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. I send a second-degree amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] proposes an amendment numbered 1159 to amendment No. 1158.

The amendment is as follows:

In the pending amendment strike all after the words ''It is the sense-of-the-Congress'' and insert the following: ''That no member of Congress or the executive branch may use campaign funds or privately donated funds to defend against sexual harassment lawsuits.''

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

Mr. DOLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 55, nays 45, as follows:

[Rollcall Vote No. 197 Leg.]

YEAS—55

Abraham	Frist	McCain
Ashcroft	Gorton	McConnell
Bennett	Graham	Murkowski
Bond	Gramm	Nickles
Brown	Grams	Pressler
Burns	Grassley	Roth
Byrd	Gregg	Santorum
Campbell	Hatch	Shelby
Chafee	Hatfield	Simpson
Coats	Helms	Smith
Cochran	Hutchison	Snowe
Cohen	Inhofe	Specter
Coverdell	Jeffords	Stevens
Craig	Kassebaum	Thomas
D'Amato	Kempthorne	Thompson
DeWine	Kyl	Thurmond
Dole	Lott	Warner
Domenici	Lugar	
Faircloth	Mack	

NAYS—45

Akaka	Feinstein	Lieberman
Baucus	Ford	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Harkin	Moynihan
Boxer	Heflin	Murray
Bradley	Hollings	Nunn
Breaux	Inouye	Packwood
Bryan	Johnston	Pell
Bumpers	Kennedy	Pryor
Conrad	Kerrey	Reid
Daschle	Kerry	Robb
Dodd	Kohl	Rockefeller
Dorgan	Lautenberg	Sarbanes
Exon	Leahy	Simon
Feingold	Levin	Wellstone

So the amendment (No. 1159) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. BROWN. Parliamentary inquiry, Mr. President. Is it true that the unanimous consent agreement that we are operating under required any further amendments to be considered by this body—first-degree amendments—to be considered by this body to be presented to the managers of the bill by 5:15?

The PRESIDING OFFICER. The Senator is correct.

Mr. BROWN. Is it then true that because none of those amendments have

been delivered by 5:15, no further first-degree amendments are in order to the bill?

Mr. President, I note that it is now 5:39 and that as of 5:15 none of the amendments had been presented.

The PRESIDING OFFICER. The amendments were to be presented to the managers of the bill, not the clerk.

Mr. BROWN. Do we have any indication that those amendments were indeed presented by 5:15?

The PRESIDING OFFICER. The chair does not know what amendments have been submitted to either of the managers.

Mr. EXON. You can get the word of the two managers, if that will suffice for the distinguished Senator from Colorado.

Mr. BROWN. Mr. President, I do not mean to obstruct proceedings but I have been trying to get copies of amendments after 5:15. I have asked the managers, and they are still not available. If amendments are not made available, I intend to make a point of order against amendments offered from this point forward.

AMENDMENT NO. 1158, AS AMENDED

The PRESIDING OFFICER. The pending measure is amendment No. 1158, as amended.

Mr. BROWN. Parliamentary inquiry, Mr. President. Was this amendment presented to the managers prior to 5:15?

Mr. EXON. Mr. President, it was.

The PRESIDING OFFICER. The amendment was offered prior to 5:15.

Mr. BROWN. I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1158, as amended.

The amendment (No. 1158), as amended, was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. We have been very liberal regarding the time on votes. We were 5 minutes over on that last vote.

I urge all Members to stay in the Chamber, or close to the Chamber, so we can get finished in a more orderly and quicker fashion.

Mr. EXON. Is it in order to proceed now in a semi-orderly fashion with amendments that are properly of record?

The PRESIDING OFFICER. Amendments are in order.

AMENDMENT NO. 1160

(Purpose: To limit increases in the public debt)

Mr. EXON. 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 Nebraska [Mr. EXON] proposes an amendment numbered 1160.

Mr. EXON. 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 63, strike beginning with line 8, though page 65, line 5, and insert the following: ''The Senate Committee on Finance shall report changes in laws within its jurisdiction that increase the statutory limit on the public debt to the amount set forth for the public debt for fiscal year 1996 in section 2(5), of this resolution.

''(8) COMMITTEE ON FOREIGN RELATIONS.—The Senate Committee on Foreign Relations shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $0 in fiscal year 1996, $0 for the period of fiscal years 1996 through 2000, and $0 for the period of fiscal years 1996 through 2002.

''(9) COMMITTEE ON GOVERNMENTAL AFFAIRS.—The Senate Committee on Governmental Affairs shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $118,000,000 in fiscal year 1996, $3,023,000,000 for the period of fiscal years 1996 through 2000, and $6,871,000,000 for the period of fiscal years 1996 through 2002.

''(10) COMMITTEE ON THE JUDICIARY.—The Senate Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $119,000,000 in fiscal year 1996, $923,000,000 for the period of fiscal years 1996 through 2000, and $1,483,000,000 for the period of fiscal years 1996 through 2002.

''(11) COMMITTEE ON LABOR AND HUMAN RESOURCES.—The Senate Committee on Labor and Human Resources shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $1,141,000,000 in fiscal year 1996, $9,165,000,000 for the period of fiscal years 1996 through 2000, and $13,795,000,000 for the period of fiscal years 1996 through 2002.

''(12) COMMITTEE ON RULES AND ADMINISTRATION.—The Senate Committee on Rules and Administration shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $2,000,000 in fiscal year 1996, $280,000,000 for the period of fiscal years 1996 through 2000, and $319,000,000 for the period of fiscal years 1996 through 2002.

''(13) COMMITTEE ON VETERANS' AFFAIRS.—The Senate Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $301,000,000 in fiscal year 1996, $5,760,000,000 for the period of fiscal years 1996 through 2000, and $10,002,000,000 for the period of fiscal years 1996 through 2002.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

SEC. 200. LIMITING INCREASES IN THE STATUTORY LIMIT ON THE PUBLIC DEBT.

(a) RECONCILIATION DIRECTIVES WITH RESPECT TO PUBLIC DEBT LIMIT.—

(1) BUDGET RESOLUTION.—Any concurrent resolution on the budget for a fiscal year that contains directives of the type described in paragraph (1) or (2) of section 310(a) of the Congressional Budget Act of 1974 for such fiscal year shall also include a directive of the type described in paragraph (3) of that subsection for that fiscal year.

(2) RECONCILIATION.—Any change in the statutory limit on the public debt that is recommended pursuant to a directive of the type described in paragraph (3) of section 310(a) shall be included in the reconciliation legislation reported pursuant to section 310(b) for that fiscal year.

(b) POINT OF ORDER.—

(1) IN GENERAL.—

(A) Notwithstanding any other rule of the Senate, except as provided in subparagraph (B), it shall not be in order in the Senate to consider any bill or joint resolution (or any amendment thereto or conference report thereon) that increases the statutory limit on the public debt during a fiscal year above the level set forth as appropriate for such fiscal year in the concurrent resolution on the budget for such fiscal year agreed to under section 301 of the Congressional Budget Act of 1974.

(B) Subparagraph (A) shall not apply to any reconciliation bill or reconciliation resolution reported pursuant to section 310(b) of the Congressional Budget Act of 1974 during any fiscal year (or any conference report thereon) that contains a provision that—

(i) increases the statutory limit on the public debt pursuant to a directive of the type described in section 310(a)(3) of such Act; and

(ii) becomes effective on or after the first day of the following fiscal year.

(2) PROHIBITION ON STRIKING PROPER DEBT LIMIT CHANGES.—Notwithstanding any other rule of the Senate, it shall not be in order in the Senate to consider any amendment to a reconciliation bill or resolution that would strike a provision reported pursuant to a directive of the type described in section 310(a)(3) of the Congressional Budget Act of 1974.

(3) WAIVERS.—This section may be waived or suspended in the Senate by a roll call vote of a majority of the Members, duly chosen and sworn.

(c) EXERCISE OF RULEMAKING POWERS.—The Senate adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate, and as such they shall be considered as part of the rules of the Senate, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of the Senate to change those rules (so far as they relate to the Senate) at any time, in the same manner, and to the same extent as in the case of any other rule of the Senate.

Mr. EXON. Mr. President, this amendment is offered by myself. It creates a majority vote point of order against legislation which increases the public debt beyond that set forth in the budget resolution. It is something that we discussed in the committee.

Mr. DOMENICI. Mr. President, the pending amendment is not germane to the provisions of the budget resolution pursuant to 305(b). I raise a point of order against the pending amendment.

Mr. EXON. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive that act for the consideration of the pending amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays are ordered.

VOTE ON MOTION TO WAIVE THE BUDGET ACT

The PRESIDING OFFICER. The question occurs on agreeing to the motion to waive the Budget Act.

The clerk will call the roll.

The bill clerk called the roll.

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

The yeas and nays resulted—yeas 40, nays 60, as follows:

[Rollcall Vote No. 198 Leg.]

YEAS—40

Akaka	Ford	Lieberman
Baucus	Glenn	Mikulski
Biden	Graham	Moseley-Braun
Boxer	Harkin	Moynihan
Bradley	Heflin	Murray
Breaux	Hollings	Pell
Bryan	Inouye	Pryor
Bumpers	Johnston	Reid
Conrad	Kerrey	Robb
Daschle	Kerry	Rockefeller
Dorgan	Kohl	Simon
Exon	Lautenberg	Wellstone
Feingold	Leahy	
Feinstein	Levin	

NAYS—60

Abraham	Faircloth	McCain
Ashcroft	Frist	McConnell
Bennett	Gorton	Murkowski
Bingaman	Gramm	Nickles
Bond	Grams	Nunn
Brown	Grassley	Packwood
Burns	Gregg	Pressler
Byrd	Hatch	Roth
Campbell	Hatfield	Santorum
Chafee	Helms	Sarbanes
Coats	Hutchison	Shelby
Cochran	Inhofe	Simpson
Cohen	Jeffords	Smith
Coverdell	Kassebaum	Snowe
Craig	Kempthorne	Specter
D'Amato	Kennedy	Stevens
DeWine	Kyl	Thomas
Dodd	Lott	Thompson
Dole	Lugar	Thurmond
Domenici	Mack	Warner

The PRESIDING OFFICER. On this question, the yeas are 40, the nays are 60. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The point of order is sustained and the amendment falls.

AMENDMENT NO. 1161

(Purpose: To restore funding to the AFDC and JOBS programs by using amounts set aside for a tax cut)

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nebraska [Mr. EXON] for Mr. MOYNIHAN, proposes an amendment numbered 1161.

The amendment is as follows:

On page 74, strike lines 12 through 24 and insert the following: ''budget, the appropriate budgetary allocations, aggregates, and levels shall be revised to reflect $55,000,000,000 in budget authority and outlays of the additional deficit reduction achieved as calculated under subsection (c) for legislation that retains AFDC as a Federal entitlement and restores budget authority and outlays for other income security programs.

''(b) REVISED ALLOCATIONS AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chair of the Committee on the Budget of the Senate may submit to the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974, budgetary aggregates, and levels under this resolution, revised by an amount that does not exceed the additional deficit reduction specified under subsection(d).''.

Mr. EXON. Mr. President, Senator MOYNIHAN has proposed this amendment which will enable Congress to improve our welfare system rather than dismantle it. Under the amendment, Aid to Families with Dependent Children will remain a Federal entitlement program.

The amendment will, over 7 years, restore $55 billion to the income security programs, including Aid to Families with Dependent Children, supplemental security income and unemployment insurance under the jurisdiction of the Finance Committee.

The amendment is deficit neutral. It is financed in part by the fiscal dividend that will accrue to the Federal Government if we balance the budget.

Mr. DOMENICI. Mr. President, I might say to my friend, Senator EXON, I thought matters might get better after the last one, but they are getting worse. Maybe we will have to jointly look at some of these.

I would just say from our side what this does is take $55 billion of the reserve fund that we have in contingency and it would spend it for an entitlement under AFDC.

Mr. President, the pending amendment is not germane to the provisions of the budget resolution pursuant to 305(b) of the act. I raise a point of order against the pending amendment.

Mr. EXON. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the act for consideration of the pending amendment.

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.

VOTE ON MOTION TO WAIVE THE BUDGET ACT

The PRESIDING OFFICER. The Senate is reminded this is a 9-minute vote. I intend to close the vote at 9 minutes.

The question is on the motion to waive the Budget Act. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

The yeas and nays resulted, yeas 41, nays 59, as follows:

[Rollcall Vote No. 199 Leg.]

YEAS—41

Akaka	Feinstein	Lieberman
Biden	Glenn	Mikulski
Bingaman	Graham	Moseley-Braun
Boxer	Harkin	Moynihan
Bradley	Heflin	Murray
Breaux	Hollings	Pell
Bryan	Inouye	Pryor
Bumpers	Johnston	Reid
Conrad	Kennedy	Robb
Daschle	Kerrey	Rockefeller
Dodd	Kerry	Sarbanes
Dorgan	Lautenberg	Simon
Exon	Leahy	Wellstone
Feingold	Levin	

NAYS—59

Abraham	Chafee	Domenici
Ashcroft	Coats	Faircloth
Baucus	Cochran	Ford
Bennett	Cohen	Frist
Bond	Coverdell	Gorton
Brown	Craig	Gramm
Burns	D'Amato	Grams
Byrd	DeWine	Grassley
Campbell	Dole	Gregg
Hatch	Lugar	Shelby
Hatfield	Mack	Simpson
Helms	McCain	Smith
Hutchison	McConnell	Snowe
Inhofe	Murkowski	Specter
Jeffords	Nickles	Stevens
Kassebaum	Nunn	Thomas
Kempthorne	Packwood	Thompson
Kohl	Pressler	Thurmond
Kyl	Roth	Warner
Lott	Santorum	

The PRESIDING OFFICER (Mr. THOMPSON). On this vote the yeas are 41, and the nays are 59. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained, and the amendment falls.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the motion was rejected.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1162

(Purpose: To express the sense of the Senate on the importance of research, technology, and trade promotion and trade law enforcement programs)

Mr. EXON. 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 Nebraska [Mr. EXON], for Mr. BINGAMAN, for himself, Mr. LIEBERMAN, Mr. ROCKEFELLER, Mr. BIDEN, Mr. HOLLINGS, Mr. BYRD, Mr. KERRY, Mr. DODD, and Mr. PRYOR, proposes an amendment numbered 1162.

The amendment is as follows:

At the end of the concurrent resolution, add the following:

SEC. . SENSE OF THE SENATE ON THE IMPORTANCE OF RESEARCH, TECHNOLOGY, AND TRADE PROMOTION AND TRADE LAW ENFORCEMENT PROGRAMS.

(a) FINDINGS.—The Senate finds that—

(1) the public welfare, economy, and national security of the United States have benefited enormously from the investments the Federal Government has made over the past fifty years in research, technology, and trade promotion and trade law enforcement;

(2) these investments are even more important at the dawn of the twenty-first century in order to insure that future generations of Americans can remain at the forefront of exploring the endless scientific and technological frontier in the face of ever greater challenges from abroad and thereby maintain and improve their health, standard of living, and national security; and

(3) enforcement of United States trade laws and promotion of United States exports, especially programs in support of small and medium sized businesses, serve an invaluable function in creating jobs, promoting national economic growth, and allowing American workers and businesses to have the resources to compete in an ever more competitive global economy.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that, in the assumptions for the overall accounts, it is assumed that—

(1) in allocating discretionary spending in fiscal years 1996 through 2002 within the discretionary spending limits established in section 201, the Committee on Appropriations will make it a high priority to maintain the overall fiscal year 1995 investment

level (without adjustment for inflation) in research, technology and trade promotion, and trade law enforcement programs; and

(2) the conferees on the concurrent budget resolution will not agree to any revenue reductions below current law unless the discretionary spending limits established in the conference report will permit the Committee on Appropriations to achieve the goal established in paragraph (1).

Mr. BINGAMAN. Mr. President, this amendment expresses the sense of the Senate that it should be a high priority to maintain the overall fiscal year 1995 investment level, without adjustment for inflation, in research, technology, trade promotion, and trade law enforcement programs over the next 7 years.

The amendment further expresses the sense of the Senate that the conferees should not agree to any tax cuts below current law unless the discretionary spending limits in the conference report permit the achievement of the above goal.

The GOP budget will reduce civilian research and technology programs to a four decade low as a percentage of GDP and Federal spending. By 2002, Federal civilian research will be 0.26 percent of gross domestic product. The Bingaman amendment would effectively urge that this be raised to 0.31 percent of GDP.

For comparison purposes in 1969, the last year we balanced the budget, civilian research was 0.76 percent of GDP. The lowest it ever was in the Reagan years was 0.38 percent of GDP in 1986. It is currently 0.46 percent of GDP. No one can claim that it is research that has caused our deficit. Quite the contrary. Almost every economist believes our investments in civilian research pay for themselves many times over in economic growth and the taxes that corporations pay on the fruits of our federally supported scientific enterprise.

The governments of other industrialized nations, such as Japan and Germany, invest about six-tenths of 1 percent of GDP in civilian research. We are already below them, even if you include the Pentagon's dual-use basic and applied research investments. And we are pointing under the GOP budget to spending less than half of what our economic rivals spend.

The cuts in Federal support of civilian research will not be made up by the private sector. The reason: they have an ever-shorter focus and an ever greater unwillingness to invest in long-term research projects, the benefits of which are uncertain and usually not capturable by a single firm.

Every other nation is following the American model of the last half century. They are seeking to invest more, not less, in civilian research.

Our model has succeeded. It put men on the Moon, revolutionized medicine, developed computers, communications, and advanced materials unimagined a half century ago. Vannevar Bush, the giant of the post-World War II generation, predicted just this in his monograph ''Science: the Endless Frontier'' that served as the basis of a social compact between government and the research community for the last half century.

For the past half century, the Federal Government has acted on that vision to foster a science and technology enterprise in this country second to none. Government research funds have helped conquer diseases, win the cold war, and spur incredible advances in electronics, computers, molecular biology, communications, and materials science. These advances enrich our daily lives and are at the heart of our nation's status as an economic and military superpower.

It is not an accident that American industries from aerospace to agriculture to pharmaceuticals in which the Federal Government has made substantial research investments enjoy world leadership.

As we enter the 21st century, we can not afford a Luddite approach. The scientific and technogical frontier is still endless. We risk condemning our children and grandchildren to a less prosperous, less healthy, and less secure future if we follow the course in the budget resolution.

The Bingaman amendment is intended to provoke a debate and to serve as a warning. It does not fix the problem. Even if its prescription is followed, we will still be spending half of what our rivals spend in 2002. But it is a step in the right direction, a finger in a breaking dike.

If action is not taken to deal with this, we will lose a generation of research and a generation of young researchers who will choose other professions. We will not be able to recover for years from this damage once the pendulum swings back in favor of Federal research investments as it will when the full damage of the GOP budget becomes clear.

Almost a century ago in 1899 the head of the Patent Office, Charles Duell, proposed to close up shop because ''everything that can be invented has been invented.'' Luckily we did not follow such Know-Nothing advice as we prepared for the 20th century. A half century later Vannevar Bush laid out his vision for the Federal role in science and technology.

Now we face a choice again between these competing visions, Duell's and Bush's. We must reject the notion the endless frontier is over, that every invention has been made, and continue to commit to a brighter future for our children. We cannot afford to short-change research if the 21st century is to be an American century as the 20th century was.

I ask unanimous consent that several newspaper articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, May 22, 1995]

G.O.P. BUDGET CUTS WOULD FALL HARD ON CIVILIAN SCIENCE

BASIC RESEARCH AT RISK

EXPERTS FORESEE A CRIPPLING OF SCIENCE ESTABLISHMENT AND LAYOFFS AT UNIVERSITIES

(By William J. Broad)

The glory days of the Federal science establishment may be over, science leaders fear, as cuts proposed by Republicans to wipe out the budget deficit fall hard on civilian research.

Under the cuts, annual appropriations for nonmilitary research might drop to about $25 billion by 2000 from the current level of $32 billion, for total reductions of $24 billion or more over the period.

At risk is the type of Government-financed basic science that has put men on the moon, explored the deep sea, unlocked the atom, cured cancers, found the remains of lost civilizations, tracked earthquake faults, and discovered the chemistry of life, among other feats.

Specific casualties of the cuts might include atom smashers, new weather satellites, space probes and dozens of large Federal laboratories that study everything from solar power to violent storms.

Republicans say their goal is to trim fat and corporate welfare rather than cripple basic science, which economists agree is a powerful engine for promoting economic growth and high standards of living.

Representative Robert S. Walker, a Republican of Pennsylvania who is chairman of the House Science Committee, said this month that the proposed budget would keep ''a robust science policy while providing for the fundamental science base we need to move forward.''

But Democrats and private experts say the cuts would undo the Federal science establishment, crippling parts of it beyond repair.

To be sure, science leaders in past budget battles, clearly working in their own self-interest, have been known to exaggerate how painful reductions might be. And some pain might be averted as Democrats and Federal agencies fight the cuts, or if President Clinton successfully vetoes spending bills.

Even so, the momentum for change is now so great that many private experts, as well as Democrats, say Federal support of civilian science is destined to weaken and shrink no matter what, its budget declining by as much as a third if inflation is taken into account. Such cuts portend wide changes in American science and American life.

''Any sensible person knows you have to make prudent investments to get ahead,'' Representative George E. Brown, Jr., a Democrat of California and former chairman of the House Science Committee, said in an interview last week. ''But the Government doesn't. We're dominated by fools.''

Agency heads, university officials and private experts say the fabric of science is likely to fray widely as the Republican juggernaut rolls forward and as the Clinton Administration makes its own cuts in an attempt to regain lost political ground.

''Nationally, there's been a massive sticking of heads in the sand, of not looking at the problem,'' said John Wiley, provost at the University of Wisconsin in Madison, one of the nation's top science schools. ''There's going to be a price of pay.''

Experts say the repercussions could include the abandoning of much long-term environmental monitoring, the virtual end of applied research to aid corporations, layoffs at colleges and universities, and a flight of students from scientific careers.

''We don't want to get so lost in the frenzy to balance the budget that we throw babies

out with the bath water,'' John H. Gibbons, President Clinton's science adviser and director of the White House Office of Science and Technology Policy, said in an interview.

''What ever the reduction is—a quarter or a third—it's big, and it's a reversal of historical trends,'' he added, referring to how Republican cuts would end years of budget growth.

''There's no question that we have to be sharper with our knives, to streamline the agencies,'' Dr. Gibbons said. ''But if you take away a third, that's going to push us way down in terms of international competition.''

During the last four decades, the Federal Government has spent nearly $1 trillion on civilian research and development, laying the basis for a powerful wave of prosperity that has touched most facets of American life. In pushing back the frontiers of knowledge, the Federal money has supported tens of thousands of scientists at universities across the country and has financed the work that led to scores of Nobel Prizes.

Spending on nonmilitary science has grown fairly steadily in the last decade. It peaked this year at $31.9 billion, according to the National Science Foundation, a Federal agency that finances much basic research at universities.

The civilian science budget of the Federal government is puny compared to the $100 billion that American industry is putting into reseach and Development this year. Yet its importance is greater than size alone suggests, for while industry typically looks years ahead, aiming to please shareholders, the Government often looks decades and sometimes centuries ahead, pursuing fundamental issues of understanding that may ultimately lead to wide social benefits.

Another difference is that industrial science is often shrouded in secrecy. By contrast, Government-financed civilian work is usually published openly so it can serve as intellectual kindling for other social and commercial endeavors.

After their sweep in the midterm elections last November, the Republicans devised a balanced-budget plan that went easy on military research, currently about $40 billion a year, and hard on civilian science, especially on Federal programs with ties to industry. An aim of the Clinton Administration has been to help high-technology industries better compete with foreign rivals.

House Republicans produced the most detailed plan for science cuts, which was endorsed Thursday by the full House as part of a comprehensive package to balance the budget by 2002. The Senate is debating a companion measure.

Democrats of the House Science Committee portray the House plan as an extensive cracking of the foundations of Federal science. By their calculation, spending under the committee's jurisdiction would fall by a total $24 billion from 1996 to 2000, relative to 1995 levels. If 3 percent annual inflation is assumed during that period, the overall drop would be 34.7 percent in terms of real purchasing power.

The committee oversees most civilian science spending in the Federal budget, with responsibility for $27.2 billion this year. The exceptions are the National Institutes of Health and the Agriculture and Interior Departments. The latter's Geological Survey, which monitors water, hunts minerals and makes maps, has been targeted for eventual elimination by the Republicans. Its current budget is $571 million.

The biggest cuts are slated for the Federal Government's largest scientific agency, the National Aeronautics and Space Administration. Among possible victims is tiny Pioneer 10, now nearly six billion miles from Earth and still sending back data more than two decades after it was launched.

''A lot more than Pioneer will go,'' NASA's Administrator, Daniel S. Goldin, said in an interview.

The Republicans would squeeze a series of planned satellites for global climate monitoring, trimming the budget by $2.7 billion, or about half, to the end of the decade. Overall, the agency's annual budget would drop from $14.3 billion to $11 billion by 2000.

On Friday, Mr. Goldin outlined a plan that would move toward eventually turning over operation of the space shuttles to private industry, something the Republicans have called for. The NASA plan would also reduce the work force of the agency and its contractors by about 25,000 people, bringing it to 1961 levels.

''We're right at the edge,'' he said. ''The Republican cuts would roughly double that, pushing about 20,000 people out the door.''

A similar tale comes from the National Oceanic and Atmospheric Administration, whose parent, the Commerce Department, has been targeted for elimination by the Republicans. Among other things, NOAA runs weather satellites, makes forecasts, tracks hurricanes and tornadoes, probes the deep ocean and monitors fisheries.

James D. Baker, NOAA's Administrator, said in an interview that the agency was already losing 2,300 employees and that the proposed Republican cuts would trim another 1,000 in 1996 alone. Its budget for that year would fall to $1.7 billion from a current $2 billion, with deeper cuts in following years.

''What we see coming is a real tragedy,'' he said. ''We'll have to cut services and stop future investments on all kinds of things.''

NOAA runs 11 environmental research labs around the country to study things like air quality, climate changes and severe storms. Some labs would have to be cut back or closed down. And proposed Republican cuts for 1996 would force the agency to abandon plans for a new weather satellite.

Ultimately, NOAA officials say, lives will be at risk if weather forecasts decline in quality.

''We're a service agency,'' said Douglas K. Hall, NOAA's Deputy Administrator. ''We have people on duty 24 hours a day at the union's airports. They're critical to the safety of millions of Americans.''

More esoteric is the work of the Energy Department, which studies new kinds of solar and geothermal energy production, struggles to harness the nearly limitless power of nuclear fusion, and probes the atom with big particle accelerators. It also is conducting a costly cleanup of sites contaminated by decades of nuclear weapons production.

Its current budget is $17.5 billion. The Republicans would cut that by a total of $7 billion over five years.

The department says the cuts would trim 2,000 university science jobs and 3,500 jobs from its sprawling system of laboratories, would end the large fusion experiment at Princeton University and would force the cancellation of one of its atom-smasher projects. In addition, hundreds of companies, universities and Federal laboratories that are trying to improve energy efficiency would lose funds.

One bright spot in the Republican proposal is the National Science Foundation, whose current budget is $3.3 billion. The Republicans would slightly boost basic research to match expected inflation but would squeeze the social sciences, which include economics, anthropology, psychology, sociology, geography and archeology.

The National Institutes of Health, the nation's biomedical research giant and a main patron of university research, would also get some preferential treatment. Its $11.3 billion budget would drop slightly in 1996 and then freeze. Even without severe reductions, however, N.I.H. officials say their programs would be devastated by inflation.

For the nation's system of big research universities, said Dr. Wiley of the University of Wisconsin, ''there's likely to be a shakeout'' as the cuts hit home and universities shut down programs.

''We'll probably emerge from the next 15 or 20 years with far fewer universities that try to be comprehensive,'' he said.

Robert L. Park, a physicist at the University of Maryland and a spokesman for the American Physical Society, the nation's leading group of physicists, said the race between Republicans and Democrats to make science cuts boded ill for the future.

''Enormous promises have been made and it's hard to see how they can back away from those,'' he said, referring to the Republican promise to balance the budget.

''Social Security and most of Medicare is off the table,'' he added. ''There's not much left in the discretionary budget, except for science.''

[From the New York Times, May 23, 1995]

CRIPPLING AMERICAN SCIENCE

The budget plan passed by the House mounts an assault on scientific research, science training and American research universities that are the envy of the world. Blinded by ideological fury at government, House Republicans seek to abandon a crucial function of government, the provision of public goods like research that are undersupplied by private markets. Private companies will invest in research that is likely to raise their profit, but they are unwilling to invest in research whose benefits leak out to competitors. By abandoning government's irreplaceable role, the House budget would undermine America's technological base.

The magnitude of the House-passed cuts is shocking. Civilian research would fall over five years from about $32 billion to $25 billion, a 35 percent cut after accounting for inflation. Medical research, other than for AIDS, would fall by more than 25 percent. Robert Walker, chairman of the House Science Committee, says the plan would protect basic science. He dissembles. His budget would increase spending on research by the National Science Foundation. But the small increases would not keep pace with inflation, so the number of university-based scholars, graduate students and research projects that the N.S.F. supports would steadily fall. Indeed the plan envisions wiping out support for social science research.

The House budget would continue to support the space shuttle and space station, two costly hardware projects with constituencies in key electoral states, but it would provide little money for other aeronautical and space research. It would cut several energy research programs by between 35 and 80 percent—eliminating thousands of university jobs—and reduce research on high-speed rail and other transportation projects. Republicans say their cuts eliminate only applied research that business can undertake for itself, but they propose slashing nearly every program in sight.

Not all the research that Washington pays for makes sense. Some university-based research can sound ridiculously abstruse. But there is danger in indiscriminately chopping research and undermining a system that has for decades produced the best scientists and graduate programs in the world. The sectors in which America has led the world—from computers and software to agriculture and

aircraft manufacturing—can trace their success to heavy Federal support.

Mr. Walker could have performed a valuable service by carefully sifting through Federal programs to weed out those that needlessly subsidize corporations for research and development projects that they would undertake for themselves. But massive cutting just to reach a balanced budget quickly risks damaging important economic assets.

The party that preaches cost-benefit analysis for Federal agencies ought to practice what it preaches. Cutting the science budget will save a few billion dollars a year in a $6 trillion economy. Knocking out innovative research can lead to stagnant productivity and growth. By that calculation, the House plan is an irresponsible gamble.

[From the Washington Post, May 19, 1995]

THE GOP NEEDS A BIT MORE R&D ON ITS SCIENCE AND TECHNOLOGY POLICY

(By Michael Schrage)

Charred, smoldering and in ruins: The budget bills pending in Congress leave the Clinton administration's ambitious science and technology agenda looking as if it were zapped by one of those space-based X-ray lasers from the Strategic Defense Initiative that never quite got built. The destruction is near-total. Never have a sitting president's programs promising new public-private partnerships for innovation been so thoroughly extirpated so soon after launch. The Commerce Department's Advanced Technology Program—a $430 million-plus effort to turn the National Institutes of Standards and Technology into a high-tech venture capitalist—is toast. The Technology Reinvestment Program, designed to encourage commercial participation in defense technology development, is targeted for extinction.

Even a $500 million ''national security'' initiative to build flat-panel displays for the Pentagon now shrivels into silicon scraps. Techno-''welfare'' for rich corporations with billion-dollar research and development budgets of their own is being slashed as rigorously and assiduously as welfare for the poor.

Of course, in the context of the biggest proposed budget cuts in U.S. history, there's nothing special about the dismantling of the Clinton science and technology apparat. And why should there be? Everything else is getting cut.

What's disturbingly different, however, is that while the Republican majority cheerfully fuses ideas and ideology when it takes on the nation's health care and welfare budgets, its take on federal science and technology budgets seems oddly disjointed. It looks decoupled not only from the marketplace, but from the marketplace of ideas. The same politicians championing the virtues of America's ''Third Wave'' future prescribe federal science and technology policies that would have been deemed simplistic during the country's agrarian heyday.

The reflexive anti-Washington, pro-market, neo-federalist sentiment that so energizes the right obscures the essential issues that need to be openly debated: What role should the federal government play in supporting non-defense-related research in science and technology? Further, how far should the federal government go in defining regulations and standards that promote innovation in the marketplace? The Republicans insist that market forces are always the best arbiter—but that obviously is not true.

Let's make these conceptually flavored questions more specific and provocative: Would an Internet—with its unique, nonproprietary, flexible, expandable, multimedia architecture—have been an inevitable byproduct of market forces alone? Or did the federal government's active participation play a valuable role in shaping a new kind of medium?

Did federal safety and fuel efficiency standards foisted on the automobile and aerospace industries over the past 25 years promote technical innovation and customer satisfaction? Or did the costs of consumers and the manufacturers clearly outweigh the benefits?

Was the agricultural extension service, created to promote the decentralized diffusion of agricultural innovation among farmers and researchers, an appropriate medium for a central government to support? What about the Morrill Act, which funded the rise of land-grant colleges and universities?

Does a Centers for Disease Control and Prevention to monitor the emergence of potentially dangerous viruses and microorganisms make more sense as a federal or state institution?

The answer to any one of these questions speaks volumes about why the proffered policy choice between ''centralized government'' and ''market forces'' is a false one. In a democracy, of course, the government is the marketplace and vice versa.

Instead of having the courage to deal with these kinds of issues honestly and directly, we have legislators who prefer to cast them into anachronistic vocabularies where it's okay for government to fund ''basic'' and ''pure'' science but ever so bad for taxpayers to sponsor anything that might be ''commercial'' research and development.

But traditional definitions of science and technology have become dangerously obsolete. In key research fields, from computer software to new materials to molecular biology, the distinction between basic science and applied technology has blurred into meaninglessness. The applied technology drives the basic science every bit as much as the basic science drives the applied technology.

For example, finding the umpteenth gene marker in the human genome is ''basic science.'' But building a machine that lets biologists find gene markers 10 times faster is called ''technology.'' Guess which gets funded? Is a data-compression algorithm that squeezes five video streams onto a single copper wire by using a novel topological equation an example of pure science or commercial technology? What if the student who discovered that algorithm is doing his thesis funded by the National Science Foundation but while working at a Japanese electronics company?

Just as it would be crazy to write banking legislation for tomorrow that focused on passbook savings accounts, legislators are kidding themselves if they believe they are doing taxpayers a service by pretending that federally funded science in the 1990s can be managed with the same vocabulary it was in 1975. It can't.

One of the biggest lies inside the Beltway is that ''you can't beat something with nothing.'' Of course you can, as long as you're writing the checks. Say this for the Clintonistas: At least this administration presented a model of how the federal government should ally and align itself with industry to facilitate innovation in science and technology.

The new Republican majority has yet to present a coherent proposal that explains what kinds of investments and returns taxpayers have a right to expect from their federal R&D dollars. It is a most glaring policy weakness from a group that wants to push America into the future.

[From the Wall Street Journal, May 22, 1995]

CORPORATE RESEARCH: HOW MUCH IS IT WORTH?

TOP LABS SHIFT RESEARCH GOALS TO FAST PAYOFFS

(By Gautam Naik)

In the late 1980s, Bob Lucky had what he calls ''a great fantasy.''

As a research at AT&T Corp's. celebrated Bell Laboratories, he was designing a silicon robot the size of a grain of sand. Injected into the human body, it would act as a microsurgeon, traveling to specific locations to fix problems.

''I was damn proud of the stuff we did. The benefits to society could be tremendous,'' Mr. Lucky says. But AT&T scrapped the research because it had no bearing on its main business. Mr. Lucky, a 31-year veteran of Bell Labs, is now at Bellcore.

Chasing far-out notions has long been a hallmark of industrial research in America. But some of the biggest U.S. corporations have cut back sharply on research into ''basic science''—the exploration of how nature works at a fundamental level—to pursue short-term goals and to commercialize products more quickly. Corporate labs, home to 75% of the nation's scientists and researchers, are replacing a cherished culture of independence with a results-oriented approach.

In past decades, the devotion to basic research without regard to boosting the bottom line spawned a steady stream of breakthroughs, including the transistor, the solar cell and the forerunner to today's laser—all at Bell Labs. Now, in the 1990s, the cutbacks are taking a toll. Some disillusioned scientists have fled to academia. Already, U.S. companies are falling behind in advanced data-storage devices and technology for oil exploration.

Some experts worry the shift in an even greater threat to the future. ''It's a short-term response aimed at keeping stockholders happy. Without question this will hurt American competitiveness,'' warns Albert Link, an economics professor at the University of North Carolina at Greensboro.

Companies counter that as competition intensifies and technology accelerates, they must push harder to get more direct value out of their research. ''We need to focus on customers' needs,'' says Daniel Stanzione, who has hammered at that doctrine since becoming president of Bell Labs in March. A former president of AT&T's $6 billion public network equipment division, he is the first hard-core business manager to run the famed research arm.

The National Science Foundation calculates that U.S. companies' spending on basic research declined slightly to $9.7 billion in 1993 and didn't rise last year. In a survey by R&D magazine, half of all companies with ''research and development'' budgets of $50 million or more plan to cut spending this year, for a 3.5% decline overall (About 10% of the R&D budget is typically devoted to basic research.)

Those figures mask far more significant cuts in some areas. Among U.S. makers of communications gear and electronics, spending on basic research dropped 64% between 1988 and 1992 to $350 million. Even government-funded basic research at universities and colleges, which has risen in the last five years, is expected to fall slightly in 1995, according to the National Science Foundation.

International Business Machines Corp. has chopped $1.7 billion from its annual R&D budget since 1992, a 33% reduction to $3.38 billion by last year. In the science-oriented research division, annual spending has fallen to $450 million from $625 million in 1990. The staff of scientists has been cut nearly 20% to 2,600; the number pursuing basic research is down by half to 200.

In the 1980s, IBM labs explored the subatomic mysteries of neutrino particles. In the 1990s, an IBM lab perfected the collapsible ''butterfly'' keyboard in just a year; it might have taken seven years in the old days. Impressive, but keyboards are hardly the stuff of high science.

Bernard Meyerson, an IBM fellow and senior manager at the IBM lab in Yorktown Heights, N.Y., says that despite the reductions, ''core research was preserved.'' But he concedes that cutting back is ''a dicey process'' because ''you won't see the impact of funding cuts until it's too late.''

Elsewhere the changes have been subtle but no less significant. Xerox Corp.'s PARC lab, which invented laser printing and on-screen icons, now gets detailed ''contracts'' from the company's product divisions directing its research. At General Electric Co., the portion of R&D spending devoted to long-term projects is down to 15% from 30% in the 1980s.

Such changes are sweeping Bell Labs, perhaps the most famous lab in the world. AT&T still devotes 10% of its annual $3 billion R&D budget to basic research, but ever bigger chunks will be shifted away from physical science—the lab's traditional strength—to information science, which is closely tied to AT&T's core business. Bell Labs managers used to be promoted solely on the basis of technical achievement. Now they must also display business acumen.

''That wonderful culture at Bell Labs'' is disappearing, laments Phillip Griffiths, director of the Institute for Advanced Study in Princeton, N.J., one of the last strongholds of purely theoretical research in the U.S.

It is difficult to quantify what may be lost because of such shifts. Fiber optics, for one, might have been delayed for decades if not for fundamental discoveries made at Bell Labs, GE and IBM. In the early 1960s, scientists stumbled on a curious find: Gallium arsenide was a natural laser. When they zapped an electrical current through it, it emitted an intense beam of light, thus making practical the laser that was first demonstrated by Hughes Aircraft in 1960. Scientists realized this ''semiconductor injection laser'' could be manipulated to transmit vast amounts of data at nearly the speed of light.

As many big U.S. companies are backing away, some foreign concerns are pushing on. Major high-tech companies overseas increased R&D spending 23% from 1988 to 1993, says Schonfeld & Associates of Lincolnshire, Ill.

At NEC Corp.'s Research Institute in Princeton, N.J., about 30 miles from Bell Labs' campus, scientists delve into condensed matter physics, quantum mechanics and biology. Joseph Giordmaine, a physicist, put in 28 years at Bell Labs but bolted for Japan's NEC in 1988.

Now, as a senior vice president, he presides over some truly far-out projects. In one, a fly, its limbs affixed in wax, is set before a TV screen flashing a series of images. A delicate probe connects a single neuron in the fly's brain to an instrument that measures how fast it registers the TV images.

The research may one day yield insights into how to design a super-fast computer. ''Basic research means you have to be able to take risks and accept failure,'' says Mr. Giordmaine.

Greg Blonder, who invented the wristphone at Bell Labs, has spent most of his career studying physical sciences and their role in future technologies. In January, he switched to ''human-centered engineering'' aimed at making AT&T products more ''customer friendly.''

He admits to nostalgia for bygone days. ''There's no thrill equivalent to the feeling when you discover something late at night, and you know that no one else in the universe knows it,'' he says. ''I miss that.''

[From the Wall Street Journal, May 22, 1995]

BABY BELLS FIND IT HARD TO PUT PRICE ON BELLCORE

(By Leslie Cauley)

How do you value a company that has never turned a profit, is prohibited from designing real products and has no experience competing for customers?

That question faces Bell Communications Research Co., the jointly owned research arm of the seven regional Bell telephone companies. The Bells have announced plans to sell or spin off Bellcore by next year.

The shedding of the company, familiarly called Bellcore, comes at a time when even the most respected technology giants are cutting corporate-research budgets. For the Baby Bells' lab, that raises the question: Who would want it? ''I have no idea,'' answers one Wall Street analyst. ''It isn't commercially oriented, and it's been operated as a nonprofit [entity] that hasn't been accountable to anyone in particular. It's a seven-headed monster right now.''

Bellcore came into being 11 years ago when the old AT&T empire was dismantled, and the seven Baby Bells were spun off. AT&T Corp. held on to the famed Bell Labs, inventor of cellular technology, the transistor and the satellite. The Bells got newly formed Bellcore.

Despite its formal name, only about 10% of Bellcore's work is devoted to outright research. And unlike Bell Labs, Bellcore doesn't engage at all in the blue-sky realm of ''pure,'' or basic, research.

The bulk of Bellcore's work is in software programming and consulting. Bellcore experts often are among the first in an emergency, as in the terrorist bombing in Oklahoma City last month. Bellcore software helps the Bells keep track of which phone wires go where, no small feat considering the more than 150 million telephone lines in the U.S. It also handles such tasks as assigning area codes and designing a phone system aimed at surviving a nuclear attack.

Some of the top engineers and network designers in the world work at Bellcore. They have racked up more than 600 patents. For all the technical muscle, however, the lab has never produced a single commercial product. It can't. Bellcore is shackled by the terms of the AT&T breakup that bar the Baby Bells from making equipment or offering long-distance service. It also can't design production-ready prototypes or steer customers to particular brands of gear.

Once freed from its seven owners, Bellcore would escape these restraints. ''It's about time we were able to start cashing in on what we know and what we have,'' says Alexander Gelman, a Bellcore engineer who experiments with advances in video conferencing.

That's why the future is filled with exhilarating possibilities—but also fraught with fear—for the 6,000 people who work at the lab's five sites in New Jersey. Some senior Bell executives say Bellcore may have to get rid of 2,000 workers and install a new top tier of outsiders to gird for competition.

Technical ability alone won't carry Bellcore in a competitive environment, says Bud Wonsiewiez, vice president of advanced technologies at U S West Inc., the Denver-based Bell. ''Their challenge is to move from a monopoly culture to a competitive culture, which is exactly the same challenge the seven owners face,'' he says.

Many Bellcore insiders acknowledge the risk and even seem energized by it. ''If you're up the challenge it can be quite exhilarating,'' says Rob Zieglar, a Bellcore wireless specialist. ''If not, if can be paralyzing.'' (Some colleagues, he says, are thinking of leaving,) He adds: ''Given the chance, ideas are going to jump here. We're going to be a player.''

From all indications, they have the potential: Following a major fire in a central switching site a few years ago, Bellcore technicians came up with a fire sensor that could detect a problem long before conventional sensors. Then they had to load it up with clunky circuits to make sure it wasn't manufacturable and didn't violate the ban on designing a production-ready device.

''It's not that our people didn't know how'' to make a commercial product, says George Heilmeier. Bellcore's president and chief executive officer. ''They had to do it that way.'' A manufacturer later refined Bellcore's prototype to build a commercial sensor, Mr. Heilmeier says, leaving Bellcore with some royalties, but little glory.

''We know our concepts are doable—we just have to wait for the right time,'' adds Vincent Vecchio, a Bellcore network specialist. Eric Addeo, a research manager, says operating under the restrictions of the AT&T breakup pact ''was like being in a dark room with the door cracked. Now the door is opening.''

But cutting loose from the Bells also means eventually losing guaranteed financial support. The regional phone companies supply more than 80% of Bellcore's $1 billion in annual funding. Bellcore generated the other $200 million or so from non-Bell clients last year, but that isn't nearly enough to support its operations.

The Bells are drafting multiyear contracts with Bellcore to help attract outside investors, but most probably won't commit to more than five years. ''The world is too unpredictable to write contracts that go beyond'' that time frame, says one senior Bell executive.

Its technical expertise might make Bellcore an attractive acquisition for a maker of telecommunications gear or perhaps a large ''systems integrator'' that lashes together a client's computers and phone systems. But the Baby Bells say they won't sell to a direct competitor such as, say, AT&T; they want Bellcore's technology to remain within easy reach.

That point is one of the few on which the Baby Bells have been able to reach easy agreement these days. Bellcore's mission has grown muddled as its owners have begun pursuing divergent and sometimes colliding strategies.

U S West last year acquired two cable systems in Atlanta, home base of BellSouth Corp., with an eye toward offering competitive local phone service. ''That had a sobering influence'' on Bellcore's board, says U S West's Mr. Wonsiewicz, who sits on the Bellcore board. He found himself ''sitting around the table with BellSouth and others [who were] asking, 'When are you going to start offering telephone service against us, Bud?' ''

Yet to pursue even routine matters, Bellcore has been required to win the unanimous approval of all seven Bells. Asked if he'll miss anything once Bellcore is turned loose, Mr. Heilmeier, the lab's CEO, doesn't miss a beat. ''Oh yes, I'll miss those board meetings where we had to have a 7–0 vote on everything,'' he replies sarcastically. ''The tears are welling up in my eyes now.''

[From the New York Time, May 22, 1995]

CLINTON'S AID TO INDUSTRY IS G.O.P. TARGET

TECHNOLOGY AND TRADE PROGRAMS WOULD END

(By David E. Sanger)

WASHINGTON, May 22.—Buried among the Republicans' sharp cost-cutting proposals to

balance the Federal budget is the swift dismantling of two of the Clinton Administration's most prominent economic innovations: the Use of the Government to promote exports and the underwriting of new technologies that corporate America considers too risky.

During his Presidential campaign, Mr. Clinton briefly called those strategies ''industrial policy,'' until Republicans seized on the phrase as proof that Mr. Clinton wanted the Government to meddle in the workings of the market. Once in office, the White House dropped the terminology but went ahead anyway with an aggressive program, declaring that the United States needed to develop partnerships with industry and use Government pressure to promote exports, two skills that Japan and Germany turned in to an art after World War II.

The Republican budget proposals would bring many of those efforts to a halt and drastically shrink others, from the Energy Department to the Pentagon. The most sweeping cutback proposal, the ''The Department of Commerce Dismantling Act,'' is scheduled to be introduced on Tuesday by House Republicans. The act would immediately terminate six of the Cabinet department's offices and slice up the organization that provides the skills for trade negotiations with Japan, China and several other nations.

Many of the functions of the Commerce Department's highest-profile organization, the International Trade Administration, would be carved up or eliminated. It is unclear what would happen to the economic ''war room'' that calls in ambassadors, Cabinet secretaries and sometimes the President to put pressure on foreign governments to buy American goods.

Curiously, the White House has said almost nothing in public about the attack on the core of its economic strategy, partly for fear that it would detract from its warnings about proposed cuts to Medicare and other popular social programs.

''Our global competitors are laughing at us,'' Secretary of Commerce Ronald H. Brown said today in a telephone conversation from Paris, where he is attending a meeting of the organization for Economic Cooperation and Development. ''Just at the moment when we've finally learned that there is no way to win without a public-private partnership, without getting the Government involved in promoting a nation's exports, people are incredulous that Congress would be doing this.

''The French are apoplectic that we have been so pro-active and successful,'' Mr. Brown said, a reference to Washington's role in winning a huge contract in Brazil last year over French competition. ''And now they are delighted that we are thinking about not doing it anymore.''

The Republican theory is that the Commerce Department has become a brazen example of ''corporate welfare,'' a term coined by one of Mr. Clinton's Cabinet members and close friends, Labor Secretary Robert B. Reich. To the White House's horror, the phrase—which Mr. Reich has not repeated since—has become a rallying call for the freshman class of Republicans, who do not share their party's traditional closeness or dependence on big business.

''There are 19 different departments in the Government that deal with trade,'' said Representative Dick Chrysler, the Michigan Republican who drafted the legislation to dismantle the Commerce Department 92 years after its creation. ''They could all be reduced to a single Department of Trade.''

Another target of Mr. Chrysler's is the department's Advanced Technology focused on the programs that most people understand,'' said Hazel R. O'Leary, the Secretary of Energy, whose department's budget would shrink by roughly $7 billion over the next five years.

''It's a little early,'' said Laura D'Andrea Tyson, the head of the National Economic Council, an office that was created at the start of the Administration to give economics equal weight with issues of national security. ''There should be a good debate about the wisdom of this, but it is still early in the budget process.''

It may be early, but it seems clear that most of the trade and technology promotion programs will be sharply reduced, if they survive at all.

As a result, the White House's reticence has not kept the departments themselves from starting allout survival campaigns. Capitol Hill these days is flooded with under secretaries and assistant secretaries explaining and justifying programs that have never before come under intense scrutiny.

Many of those programs were started under Republican administrations. The theme of the presentations often boil down to one argument: In an age of economic conflict, cutting out political and economic support for industry is the equivalent of unilateral disarmament. Program, which provides backing for technologies that small companies—and some large ones—consider promising but too risky to attempt. ''This has grown from $10 million in 1990 to $250 million in 1993, and now they want $750 million,'' Mr. Chrysler said. ''This is nothing other than picking winners and losers.''

Such arguments underscore the sharp difference in the way technology and trade policy is dealt with in Washington and in the capitals of its major economic competitors, where trade is considered national security and ''picking winners and losers'' is a phrase with no political resonance.

In Japan and Germany, there is virtually no debate over government programs to provide seed money for risky technologies or to use the influence of top officials to win contracts. It is taken as a given that such roles fall to the central government, along with defending the nation's territory and making foreign policy.

In Japan, for example, officials will freely acknowledge that more than 50 percent of the money committed to new technologies will result in utter failure. But even a 20 percent success rate, they argue, should be considered a success. No one would even attempt such an argument in Washington.

''You can't go up on the Hill and talk about a 40 percent success rate, even if that is a brilliant performance,'' Ms. O'Leary said last week. ''People will say: 'What? We are throwing away 60 percent?' ''

Instead, Ms. O'Leary's department has been churning out news releases about its industrial breakthroughs in energy conservation. A giant sulfur lamp now hangs over the Energy Department's entrance on Constitution Avenue, a single light that replaces 250 bulbs. ''It was developed with $1 million in Government money and much more in private funds,'' she said. ''That is hardly a waste.''

On the Hill, though, no one wants to talk about sulfur lamps, unless they are designed to illuminate a balanced budget. ''This is the tail-wagging-the-dog syndrome,'' Mr. Chrysler said. ''If it is a good invention, let the private sector invent it.''

Mr. GLENN. Mr. President; I rise today to express my strong support for the amendment of my friend from New Mexico, Mr. BINGAMAN, which urges continued funding for Federal investments in research, technology, export promotion and trade law enforcement. I take strong exception to the position espoused by the Republican budget resolution—that technology research and trade promotion are not proper and appropriate functions of the Federal Government. They are, in fact, not only appropriate but vital to continued U.S. economic growth and competitiveness in today's global economy.

I have long maintained that our Nation needs to be more, not less, cognizant of the crucial role technology plays in affecting our position in the world economy. Without it we would not enjoy the industrial and military strength we have today. Our Government has traditionally played a critical role in this area and I am convinced we must continue to invest prudently in research and technology development if we are to maintain our position in an increasingly competitive global economy. And with all due respect to my Republican friends, the private sector cannot and will not commit sufficient resources to make up for the cuts proposed by the Republican budget.

Eroding and/or eliminating the Federal Government's role in scientific research and technology development is like eating our seed corn, short sighted and ill advised in the extreme.

I would assign the same labels—short-sighted and wrong-headed—to the proposed elimination of Federal programs which promote U.S exports. Undeniably trade has become a major factor in the U.S. economy. According to the Trade Promotion Coordinating Committee, ''long-term forecasts of the U.S. economy put exports as the fastest growing component of GDP—increasing perhaps two and a half times faster than the overall economy.''

As the 3rd largest exporter of manufactured goods among the 50 States, Ohio has benefited greatly from, and has a vital economic stake in, robust international trade. We cannot turn a blind eye to the fact that all our major trade competitors spend considerably more than we do to push their products in overseas markets. Nevertheless, our relatively modest investments at the Federal level, prudently targeted and efficiently managed, effectively complement private sector marketing efforts and maintain our position is an increasingly competitive international economic environment. Because governments are major purchasers in most of the primary categories of U.S. exports, for example aerospace, power generation, transportation, and telecommunications, the government-to-government contacts are particularly useful and appropriate.

The least we can and should do in the interest of future economic growth, jobs and prosperity is to maintain the current modest level of Federal investment in research, technology and trade promotion.

Mr. PRYOR. Mr. President, I am proud to be a cosponsor of Senator BINGAMAN's amendment to protect funding for the important investments

that our Nation currently makes to help our businesses compete in the evolving global economy.

Mr. President, as the cold war passes into our memories, a new type of global challenge to the health and welfare of America has emerged. It is an economic war that American businessmen and women are fighting in the US marketplace and in global markets against foreign competitors support and encouraged by their governments.

As Commerce Secretary Ron Brown recently said, the budget before us today is tantamount to unilateral disarmament of the United States. It is the business equivalent of shutting down the Pentagon to save money in the middle of a world war.

Mr. President, don't believe me or Secretary Brown. Believe the words of the customers, the American businesses on the front line of global competition.

This morning's Arkansas Democrat-Gazette had a strong story in which businessmen were asked what they thought about the idea of eliminating trade and technology efforts at the Commerce Department. I ask that ''Cutting out Commerce Finds Few Fans in Trade'' be placed in the RECORD following my statement and urge my colleagues to read it.

The Vice Chairman of the Arkansas District Export Council, Dave Eldridge, said ''For a person who has been an international businessman for 30 years, I can tell you that (closing the Commerce Department) would be a serious mistake.''

As businesspeople in Arkansas point out, at stake is no less than the future economic health of our Nation and our standing and power in the international community.

At stake are American jobs threatened by tariffs or other restrictions on US products in foreign markets. At stake are American businesses, large and small, that must beat foreign competitors to the market with new and better products, cut costs and improve quality through better manufacturing technologies, and position themselves in the emerging overseas that will generate huge new consuming publics in the future.

To help American businesses compete, the US Government has made modest but effective investments in export promotion, trade law enforcement, technology and research. All of these investments are under attack in this budget.

TRADE

Mr. President, one of the great success stories in our work to support US businesses overseas is the International Trade Administration (ITA) at the Commerce Department. During the first 2 years of the Clinton administration, ITA advocacy of US business has boosted US exports by $23.6 billion, thereby creating over 300,000 American jobs.

Taxpayers invested roughly $500 million in the ITA and received a return of $23 billion in exports. That would pass anyone's cost-benefit test.

ITA has helped to open foreign markets for American business and to enforce US trade laws that protect us against unfair competition.

This budget resolution apparently would dissolve the ITA. Again, Mr. President, that is unilateral disarmament.

TECHNOLOGY

Helping American businesses stay at the cutting edge of new technologies is vital to long term competitiveness and that is exactly what the National Institute of Standards and Technology, or NIST, is in the business of doing. According to studies, 25 percent of America's economic growth since the end of World War II can be attributed to technology advances. NIST's primary mission is to bolster US competitiveness by advancing civilian technology by investing in long term, high-risk research and development.

This formula for technology advancement is working. NIST leverages scarce resources, cost sharing, and risk sharing with industry and other government entities. It is maximizing returns to American businesses and minimizing costs to taxpayers.

Another technology program that has proven itself is the Technology Reinvestment Project (TRP). TRP has worked to integrate our military and civilian technology sectors in a way that will strengthen our economy and military. TRP is another useful example of how partnerships between government and industry are useful in pooling Federal and non-Federal resources toward a common goal.

Mr. President, quite simply, we can not afford to cut TRP. For years the US military relied on its own separate technology sector and the American taxpayers were forced to pay the huge bills. If we want our military to deploy the most technologically advanced equipment at the lowest cost possible, we must tap into civilian markets more often. By doing so, everyone wins—the US military, the American taxpayer, businesses and our economy.

These technology advancement efforts are under attack in this budget. Their demise would effectively mortgage our future competitiveness and economic health to buy short term budget savings.

MANUFACTURING

To help small and medium sized manufacturers put new technologies to work in global competition, this administration has opened 25 new manufacturing centers. These centers bring proven technology to our nation's 370,000 small and medium-sized manufacturers. The Centers have received rave reviews from their customers.

Again, this successful investment in future jobs and economic growth is also under attack in this budget.

In nations around the world, investments in technology and trade development are top budget priorities. Japan, Germany and others will be glad to hear that this budget resolution strips the United States of its most effective weapons for global economic competition.

Mr. President, it is vitally important that we maintain funding for our investments in research, technology, and export promotion. The U.S. should be investing more in making our workers and our firms more competitive around the globe so that we can win the battle for markets and profits, as well as higher wages for our workers.

The U.S. can no longer prevail in international economic competition based solely on its vast supply of capital and natural resources, or its large educated work force. The economic battles of today and tomorrow will be won by the firms that can employ the latest technology and the latest information to be the first to market, the highest quality competitor, and the most competitive in pricing. These battles will be won by firms that work in concert with their government to break down foreign trade barriers and open new channels into the mature and the emerging markets of the world.

This amendment preserves the essential functions of trade promotion, technology, and research activities. This funding is critical to our nation's competitiveness. It is critical to the creation of quality jobs in the future. And it is critical to the survival of many American businesses and industries. I urge its adoption.

The article referred to follows:

CUTTING OUT COMMERCE FINDS FEW FANS IN TRADE

(By Randy Tardy)

Arkansas international trade officials reacted strongly to a Republican budget-cutting move Tuesday to abolish the U.S. Department of Commerce and transfer its functions to other agencies of government.

A bill introduced in the House would terminate six Commerce Department programs, including the Economic Development Administration, the Minority Business Development Agency and the Technology Administration, which promotes public-private cooperation in new technology.

The department's export-promoting International Trade Administration would have its functions moved to other agencies, including the State Department, which handled export trade policies until 1980.

''For a person who has been an international businessman for 30 years, I can tell you that would be a serious mistake,'' said Dave Eldridge, vice chairman of the Arkansas District Export Council and director of economic development for Arkansas Power & Light Co.

Eldridge served as moderator Tuesday for the 1995 World Trade Conference on European markets featuring a trio of Commerce Department officers representing four European countries.

''If the United States is going to maintain its ability to compete effectively in the world market, then we are going to need a strong advocacy in Washington and throughout the world,'' said Hartsell Wingfield, president of TCBY International, the Little Rock-based frozen yogurt franchiser with operations in 30 countries.

That advocate is not Congress; ''it is the strong, effective Commercial Service'' sector of the Commerce Department's International

Trade Administration, Wingfield told the conference luncheon in the Excelsior Hotel.

''If we take a hands-off approach to international trade from a political perspective,'' he said, ''we will lose our edge as an international exporter, because other countries are not taking a hands-off approach.''

Joseph O'Brien, an international trade consultant and president of the Arkansas World Trade Club, agreed. ''I've had personal experience on behalf of Arkansas clients with the Commercial Service guys stationed in Paris and Madrid and Mexico City and Guatemala City,'' he said, ''and in every case, they were enthusiastic and they tried hard. They really made a big difference.''

Putting the Commerce Department's international trade role under the State Department would mean a different set of priorities, O'Brien added. ''We really do need to export more in this country, and this is the one way for small companies to get help overseas. The big boys don't need it; the smaller ones do.''

Meanwhile, global trade competition is getting keener, and some of the best potential European markets for Arkansas exports may be in the least-known countries, the Commerce Department's senior commercial officers told the world trade conference.

''Italy is one of the least-known markets in the U.S.; it's a marketplace people don't look at often,'' said Keith Bovetti, minister counselor with the department's Commercial Service in Italy.

The country's ''close to a $1 trillion gross domestic product has the fifth leading economy in the world, and major privatization is going on there,'' he said, ''but there are no shortcuts to being there on the spot to do business.''

Spain and Portugal are also lesser-known economies, said minister counselor Emilio Iodice, who is assigned to the two countries.

''Spain is not just a land of bullfighters and flamenco dancers,'' he said, ''it has a stable government and the highest growth rate in Europe for the last 12 years.'' Spain in 1994 had $6 billion in U.S. investment and, while that's sizable, foreign investment there was greater, he said.

Portugal, with one-fourth Spain's population, ''is a new country, economically,'' Iodice said, noting increased investments in foreign goods and services to help the country become more competitive globally.

Mr. EXON. Mr. President, let me be very brief and concise.

This amendment by Senator BINGAMAN expresses the sense of the Senate regarding the importance of research, technology, trade promotion, and trade law enforcement programs all very important to America. This particular amendment is cosponsored by Senators LIEBERMAN, ROCKEFELLER, BIDEN, HOLLINGS, BYRD, KERRY, DODD, and PRYOR.

Mr. DOMENICI. Mr. President, this amendment says that the conferees have to keep spending limits at a certain level to accomplish the goals that the amendment contemplates, and there shall be no revenue reductions unless we do. Some of the goals are rather vague, and it is pretty difficult to know what we must do.

It is with reluctance that I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico [Mr. DOMENICI] to lay on the table the amendment of the Senator from New Mexico [Mr. BINGAMAN]. 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 53, nays 47, as follows:

[Rollcall Vote No. 200 Leg.]

YEAS—53

Abraham	Frist	McConnell
Ashcroft	Gorton	Murkowski
Bennett	Gramm	Nickles
Bond	Grams	Packwood
Brown	Grassley	Pressler
Burns	Gregg	Roth
Campbell	Hatch	Santorum
Chafee	Hatfield	Shelby
Coats	Helms	Simpson
Cochran	Hutchison	Smith
Cohen	Inhofe	Snowe
Coverdell	Kassebaum	Specter
Craig	Kempthorne	Stevens
D'Amato	Kyl	Thomas
DeWine	Lott	Thompson
Dole	Lugar	Thurmond
Domenici	Mack	Warner
Faircloth	McCain	

NAYS—47

Akaka	Feinstein	Levin
Baucus	Ford	Lieberman
Biden	Glenn	Mikulski
Bingaman	Graham	Moseley-Braun
Boxer	Harkin	Moynihan
Bradley	Heflin	Murray
Breaux	Hollings	Nunn
Bryan	Inouye	Pell
Bumpers	Jeffords	Pryor
Byrd	Johnston	Reid
Conrad	Kennedy	Robb
Daschle	Kerrey	Rockefeller
Dodd	Kerry	Sarbanes
Dorgan	Kohl	Simon
Exon	Lautenberg	Wellstone
Feingold	Leahy	

So the motion to lay on the table was agreed to.

Mr. EXON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1163

(Purpose: To protect children receiving health care insurance under Medicaid)

Mr. EXON. Mr. President, on behalf of Senator MURRAY, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mrs. MURRAY, proposes an amendment numbered 1163.

Mr. EXON. 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 79, between lines 3 and 4, insert the following:

SEC. . PROHIBITION OF LEGISLATION THAT WOULD DEPRIVE CHILDREN OF THEIR HEALTH INSURANCE UNDER MEDICAID.

(a) POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, resolution, amendment, motion, or conference report that would cause children eligible to receive benefits under Medicaid (whether currently or in the future) to lose any of those benefits.

(b) WAIVER.—This section may be waived or suspended in the Senate by a majority vote of the Members voting, a quorum being present, or by the unanimous consent of the Senate.

(c) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to this section shall be limited to 1 hour, to be equally divided between and controlled by, the appellant and the manager of the bill or resolution, as the case may be. An affirmative vote of a majority of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this provision.

(d) CONGRESSIONAL BUDGET OFFICE REPORTS.—Whenever the Director of the Congressional Budget Office prepares a report pursuant to section 308 of the Congressional Budget Act of 1974 in connection with a bill, resolution, or conference report that the Director believes would cause children eligible to receive benefits under Medicaid (whether currently or in the future) to lose any of those benefits, the Director shall so state in that report and, to the extent practicable, shall include an estimate of the number of children eligible to receive benefits under Medicaid (whether currently or in the future) who would lose any of those benefits as a result of that legislation.

(e) ESTIMATES.—Solely for the purposes of enforcement of this section in the Senate, the number of children eligible to receive benefits under Medicaid shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

Mr. EXON. Mr. President, a majority vote point of order against this legislation will cause children currently receiving health care insurance under Medicare to lose their insurance. What this does is simply requires a majority vote if such an event would take place.

Mr. DOMENICI. Mr. President, this amendment is not germane to the budget resolution. It establishes another procedure on how the Senate should consider future Medicaid reform legislation. Because of that, I raise a point of order against the pending amendment.

Mr. EXON. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive that act for consideration of the pending amendment.

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.

VOTE ON MOTION TO WAIVE THE BUDGET ACT

The PRESIDING OFFICER. The question occurs on agreeing to the motion to waive the Congressional Budget Act. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

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

The yeas and nays resulted—yeas 45, nays 55, as follows:

[Rollcall Vote No. 201 Leg.]

YEAS—45

Akaka	Feingold	Leahy
Baucus	Feinstein	Levin
Biden	Ford	Lieberman
Bingaman	Glenn	Mikulski
Boxer	Graham	Moseley-Braun
Bradley	Harkin	Moynihan
Breaux	Heflin	Murray
Bryan	Hollings	Pell
Bumpers	Inouye	Pryor
Chafee	Johnston	Reid
Conrad	Kennedy	Robb
Daschle	Kerrey	Rockefeller
Dodd	Kerry	Sarbanes
Dorgan	Kohl	Simon
Exon	Lautenberg	Wellstone

NAYS—55

Abraham	Gorton	Murkowski
Ashcroft	Gramm	Nickles
Bennett	Grams	Nunn
Bond	Grassley	Packwood
Brown	Gregg	Pressler
Burns	Hatch	Roth
Byrd	Hatfield	Santorum
Campbell	Helms	Shelby
Coats	Hutchison	Simpson
Cochran	Inhofe	Smith
Cohen	Jeffords	Snowe
Coverdell	Kassebaum	Specter
Craig	Kempthorne	Stevens
D'Amato	Kyl	Thomas
DeWine	Lott	Thompson
Dole	Lugar	Thurmond
Domenici	Mack	Warner
Faircloth	McCain	
Frist	McConnell	

The PRESIDING OFFICER. On this question, the yeas are 45, the nays are 55. Three-fifths of the Senators duly chosen and sworn having not voted in the affirmative, the motion is rejected.

The point of order is sustained and the amendment falls.

AMENDMENT NO. 1164

(Purpose: To express the sense of the Senate that the Federal Government has a financial responsibility to schools in our Nation's communities which are adversely affected by Federal activities and that funding for such responsibilities should not be reduced or eliminated)

Mr. EXON. 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 Nebraska [Mr. EXON] for himself, and Mrs. MURRAY, Mr. DASCHLE, Mr. PRESSLER, Mr. AKAKA, Mrs. HUTCHISON, Mr. LEVIN, Mr. BINGAMAN, Mr. PELL, Mr. DORGAN, Mr. BAUCUS, Mr. KERREY, and Mrs. KASSEBAUM proposes an amendment numbered 1164.

The amendment is as follows:

At the end of title III, insert the following:

SEC. . SENSE OF THE SENATE.

(a) FINDINGS.—The Senate finds as follows:

(1) In order to fulfill its responsibility to communities that were adversely affected by Federal activities, the Congress established the Impact Aid program in 1950.

(2) The Impact Aid program is intended to ease the burden on local school districts for educating children who live on Federal property. Since Federal property is exempt from local property taxes, such districts are denied the primary source of revenue used to finance elementary and secondary education. Most Impact Aid payments are made for students whose parents are in the uniformed services, or for students who reside on Indian lands or in federally subsidized low-rent housing projects. Over 1,600 local educational agencies enrolling over 17,000,000 children are provided assistance under the Impact Aid program.

(3) The Impact Aid program is one of the few Federal education programs where funds are sent directly to the school district. Such funds go directly into the general fund and may be used as the local educational agency decides.

(4) The Impact Aid program covers less than half of what it costs to educate each federally connected student in some school districts, requiring local school districts or States to provide the remainder.

(5) Added to the burden described in paragraph (4) is the fact that some States do not rely upon an income tax for State funding of education. In these cases, the loss of property tax revenue makes State and local education funding even more difficult to obtain.

(6) Given the serious budget constraints facing State and local governments it is critical that the Federal Government continue to fulfill its responsibility to the federally impact school districts in our Nation's States.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that in the assumptions for the overall accounts it is assumed that—the Federal Government has a financial responsibility to schools in our Nation's communities which are adversely affected by Federal activities and that funding for such responsibilities should not be reduced or eliminated.

Mr. EXON. This is sense of the Senate on impact aid, to recognize the fact that the Federal Government has a financial obligation to schools in our communities adversely affected by some of the proposed activities, and that we should not reduce or eliminate funding for these responsibilities.

Mr. DOMENICI. Mr. President, I am prepared to accept the amendment if there will be no rollcall vote.

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

The amendment (No. 1164) was agreed to.

Mr. DOMENICI. I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1165

(Purpose: To express the sense of the Senate regarding student loan cuts)

Mr. EXON. 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 Nebraska [Mr. EXON] for Mr. PELL proposes an amendment numbered 1165.

At the end of title III, insert the following:

SEC. . STUDENT LOAN CUTS.

(a) FINDINGS.—The Senate finds that—

(1) in the 20th century, educational increases in the workforce accounted for 30 percent of the growth in our Nation's wealth, and advances in knowledge accounted for 55 percent of such growth;

(2) the Federal Government provides 75 percent of all college financial aid;

(3) the Federal student loan program was created to make college accessible and affordable for the middle class;

(4) increased fees and interest costs discourage college participation by making higher education more expensive, and more of a risk, for students and their families;

(5) full-time students already work an average of 25 hours per week, taking time away from their studies; and

(6) student indebtedness is already increasing rapidly, and any reduction of the in-school interest subsidy will increase the indebtedness burden on students and families.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume the Labor and Human Resources Committee, in seeking to achieve mandatory savings, should not increase the cost of borrowing for students participating in the Robert T. Stafford Federal Student Loan Program.

Mr. EXON. The Pell amendment expresses the sense of the Senate that the Labor and Human Resources Committee, in seeking to achieve mandatory savings, should not increase the cost of borrowing for students participating in the Robert T. Stafford Federal Student Loan Program.

Mr. DOMENICI. Mr. President, who is the sponsor of that amendment?

Mr. EXON. Senator PELL.

Mr. DOMENICI. Could he change a couple of the words?

Mr. EXON. I am advised we cannot accept this until we clear it with Senator PELL. I apologize to my friend. Can we lay this aside?

Mr. DOMENICI. Pleased to do it. 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. 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, there will be one more vote tonight, and whatever it is, that will be the last vote.

Then at 7 o'clock we will proceed to debate the rescission conference report, but that will not be voted on until tomorrow. The first vote tomorrow will be at 9 o'clock, if it is all right with the Democratic leader, on the conference report. Then we will start voting on amendments from 9 o'clock until some time late in the day, I assume.

I would hope that some of my colleagues will take another look at their amendments and see if they really feel it is important.

The point I want to make is I made a promise to the President we would try to do the counter—antiterrorism bill. I want to try to keep that promise. I do not know how we can do it if we spend all day tomorrow voting.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, might I say to the distinguished majority leader, I believe they are working diligently to try to cut back on the amendments. I thank him for urging that. We believe we can modify the Pell amendment and accept it.

Mr. EXON. Would the Senator please state how he would like to have it amended? It has been agreed to and Senator PELL has authorized it. He is

right here. He has authorized me to agree to the changes you had suggested, Senator.

Mr. DOMENICI. That is not the amendment.

Mr. FORD. It is at the desk.

Mr. EXON. Mr. President, we will temporarily set aside the Pell amendment.

AMENDMENT NO. 1166

(Purpose: To repeal the ex-patriots billionaires tax loophole and put the money into veterans programs to assist American patriots)

Mr. EXON. 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 Nebraska [Mr. EXON], for Mr. LAUTENBERG for himself, Mr. ROCKEFELLER, Mrs. MURRAY, Mr. HARKIN, Mr. WELLSTONE, Mr. REID, Mr. DASCHLE, and Ms. MIKULSKI proposes an amendment numbered 1166.

Mr. EXON. 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 3, line 10, increase the amount by $47,000,000.
On page 3, line 11, increase the amount by $144,000,000.
On page 3, line 12, increase the amount by $197,000,000.
On page 3, line 13, increase the amount by $257,000,000.
On page 3, line 14, increase the amount by $322,000,000.
On page 3, line 15, increase the amount by $392,000,000.
On page 3, line 16, increase the amount by $412,000,000.
On page 3, line 20, increase the amount by $47,000,000.
On page 3, line 21, increase the amount by $144,000,000.
On page 3, line 22, increase the amount by $197,000,000.
On page 3, line 23, increase the amount by $257,000,000.
On page 3, line 24, increase the amount by $322,000,000.
On page 3, line 25, increase the amount by $392,000,000.
On page 4, line 1, increase the amount by $412,000,000.
On page 4, line 18, increase the amount by $47,000,000.
On page 4, line 19, increase the amount by $144,000,000.
On page 4, line 20, increase the amount by $197,000,000.
On page 4, line 21, increase the amount by $257,000,000.
On page 4, line 22, increase the amount by $322,000,000.
On page 4, line 23, increase the amount by $392,000,000.
On page 4, line 24, increase the amount by $412,000,000.
On page 5, line 4, increase the amount by $47,000,000.
On page 5, line 5, increase the amount by $144,000,000.
On page 5, line 6, increase the amount by $197,000,000.
On page 5, line 7, increase the amount by $257,000,000.
On page 5, line 8, increase the amount by $322,000,000.
On page 5, line 9, increase the amount by $392,000,000.
On page 5, line 10, increase the amount by $412,000,000.
On page 5, line 17, increase the amount by $47,000,000.
On page 5, line 18, increase the amount by $144,000,000.
On page 5, line 19, increase the amount by $197,000,000.
On page 5, line 20, increase the amount by $257,000,000.
On page 5, line 21, increase the amount by $322,000,000.
On page 5, line 22, increase the amount by $392,000,000.
On page 5, line 23, increase the amount by $412,000,000.
On page 6, line 16, increase the amount by $47,000,000.
On page 6, line 17, increase the amount by $144,000,000.
On page 6, line 18, increase the amount by $197,000,000.
On page 6, line 19, increase the amount by $257,000,000.
On page 6, line 20, increase the amount by $322,000,000.
On page 6, line 21, increase the amount by $392,000,000.
On page 6, line 22, increase the amount by $412,000,000.
On page 43, line 24, increase the amount by $47,000,000.
On page 43, line 25, increase the amount by $47,000,000.
On page 44, line 7, increase the amount by $144,000,000.
On page 44, line 8, increase the amount by $144,000,000.
On page 44, line 15, increase the amount by $197,000,000.
On page 44, line 16, increase the amount by $197,000,000.
On page 44, line 23, increase the amount by $257,000,000.
On page 44, line 24, increase the amount by $257,000,000.
On page 45, line 7, increase the amount by $322,000,000.
On page 45, line 8, increase the amount by $322,000,000.
On page 45, line 15, increase the amount by $392,000,000.
On page 45, line 16, increase the amount by $392,000,000.
On page 45, line 23, increase the amount by $412,000,000.
On page 45, line 24, increase the amount by $412,000,000.
On page 64, line 24, decrease the amount by $47,000,000.
On page 64, line 25, decrease the amount by $967,000,000.
On page 65, line 2, decrease the amount by $1,771,000,000.

Mrs. MURRAY. Mr. President, I am a proud cosponsor of the amendment offered by my colleagues, Senators LAUTENBERG and ROCKEFELLER, to restore funding to veterans' programs by closing the ex-patriots tax loophole.

This provision, which allows billionaires to renounce their citizenship to avoid paying taxes, has been quite popular this year. On two occasions, the Senate has resoundingly supported changing this tax loophole. Unfortunately, final legislation to close this loophole has not yet passed. Today we have an important opportunity to close this unfair loophole once and for all and to help those individuals who must now face personal battles each and every day because they sacrificed for their country.

The Lautenberg-Rockefeller amendment provides that money saved from repealing this tax loophole will be used to restore funds for critical veterans' programs. These individuals have been unfairly and continually targeted as a means to help balance the budget. During the balanced budget amendment debate earlier this year, I supported an amendment by Senator ROCKEFELLER that exempted current veterans' benefits from cuts. That amendment failed 33 to 62, signaling the intent to further cut the benefits of these individuals.

This budget resolution seeks to cut $15.4 billion in funding for veterans' programs through 2002. This will result in denying care to almost 1 million veterans, and closing the equivalent of 35 of its hospitals. Clearly, this is not an effective or responsible way to care for the needs of our Nation's veterans. We should be working on ways to improve care for veterans, not diminish it.

Mr. President, I understand the need to make difficult choices about which programs to cut in our push to balance the budget, and that certain sacrifices must be made. However, we must not lose sight of the promises made to those men and women who fought to help preserve democracy in our country and around the world. We cannot revoke the very care and benefits that were promised to these individuals when they put their lives on the line and served their country.

As the daughter of a disabled veteran, I understand the toll debilitating diseases take on a family. I understand the value of the VA health system and the critical research being done to help improve patient care. This amendment seeks to right a serious wrong. It will help restore funding for veterans programs that provide medical care and medical research for the true patriots of this country, and stop an egregious abuse of a tax loophole by those individuals who wish to be ex-patriots.

I strongly urge my colleagues to support this amendment and help maintain the promises made to the veterans of this country.

Mr. DASCHLE. Mr. President, this year marks the 50th anniversary of the end of the Second World War and the 20th anniversary of the end of the Vietnam war. It is a sad irony that at the same time we honor the brave men and women who served so valiantly in these two wars, Senate Republicans are seeking to cut funding for veterans' programs.

I support a balanced budget, and I want to work with my Republican colleagues to get there. However, we can get to a balanced budget without damaging veterans' programs. To do otherwise says that the sacrifices of those who were ready to risk their lives can be cheaply bought and easily forgotten. It says that solemn promises by Government to those who have risked all in the service of Government can be casually disregarded.

The Republican budget resolution would slice almost $16 billion from veterans' programs over the next 7 years. Part of this savings would come from freezing VA medical care at the fiscal year 1995 level for the next 7 years. This would be a drastic blow to a system that is already sorely underfunded. It will affect every VA health care facility at the same time resources will be withdrawn from Medicare and Medicaid, leading to additional pressures on the VA system.

The budget resolution also proposes to phase out VA construction by 1999. According to the Disabled American Veterans, that would lead to the cancellation of 215 projects needed to meet current health care delivery standards. Clearly, this ill-advised move would jeopardize the quality of veterans' care across the country.

At the same time it cuts funding for needed veterans' programs, this budget resolution does nothing to prevent billionaires living abroad from renouncing their U.S. citizenship solely to avoid U.S. taxes on their fortunes. Although relatively few individuals choose expatriation for this purpose, the resulting revenue loss to the U.S. Treasury is significant. Specifically, closing this tax loophole would raise $3.6 billion in the first 5 years from an estimated two dozen individuals.

The Lautenberg-Rockfeller amendment addresses both of these shortcomings in the current budget resolution. Simply, the amendment would deny huge tax benefits to ex-patriots and use that savings to restore some of the funding being taken from the VA.

As this important amendment illustrates, we don't have to sacrifice the goal of a balanced budget to correct what's wrong with this budget resolution. We need only correct the badly unbalanced priorities it establishes.

Mr. EXON. Mr. President, this amendment I am offering on behalf of Senator LAUTENBERG is called the ex-patriots amendment. This amendment would close the loophole that allows billionaires and others to avoid Federal taxes by renouncing their citizenship, and would apply the savings for restoring funding for the veterans programs.

AMENDMENT NO. 1167 TO AMENDMENT NO. 1166

(Purpose: To repeal the ''Ex-Patriots'' loophole and use the money to eliminate the Social Security earnings penalty)

Mr. DOMENICI. Mr. President, I send a second-degree amendment to the desk for Senator MCCAIN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. MCCAIN and Mr. BROWN, proposes an amendment numbered 1167 to amendment 1166.

Mr. DOMENICI. 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:

In lieu of the matter proposed, insert the following:

On page 3, line 10, increase the amount by $0.

On page 3, line 11, increase the amount by $0.

On page 3, line 12, increase the amount by $0.

On page 3, line 13, increase the amount by $0.

On page 3, line 14, increase the amount by $0.

On page 3, line 15, increase the amount by $0.

On page 3, line 16, increase the amount by $0.

On page 3, line 20, increase the amount by $0.

On page 3, line 21, increase the amount by $0.

On page 3, line 22, increase the amount by $0.

On page 3, line 23, increase the amount by $0.

On page 3, line 24, increase the amount by $0.

On page 3, line 25, increase the amount by $0.

On page 4, line 1, increase the amount by $0.

On page 4, line 18, increase the amount by $0.

On page 4, line 19, increase the amount by $0.

On page 4, line 20, increase the amount by $0.

On page 4, line 21, increase the amount by $0.

On page 4, line 22, increase the amount by $0.

On page 4, line 23, increase the amount by $0.

On page 4, line 24, increase the amount by $0.

On page 5, line 4, increase the amount by $0.

On page 5, line 5, increase the amount by $0.

On page 5, line 6, increase the amount by $0.

On page 5, line 7, increase the amount by $0.

On page 5, line 8, increase the amount by $0.

On page 5, line 9, increase the amount by $0.

On page 5, line 10, increase the amount by $0.

On page 5, line 17, increase the amount by $0.

On page 5, line 18, increase the amount by $0.

On page 5, line 19, increase the amount by $0.

On page 5, line 20, increase the amount by $0.

On page 5, line 21, increase the amount by $0.

On page 5, line 22, increase the amount by $0.

On page 5, line 23, increase the amount by $0.

On page 6, line 16, increase the amount by $0.

On page 6, line 17, increase the amount by $0.

On page 6, line 18, increase the amount by $0.

On page 6, line 19, increase the amount by $0.

On page 6, line 20, increase the amount by $0.

On page 6, line 21, increase the amount by $0.

On page 6, line 22, increase the amount by $0.

On page 43, line 24, increase the amount by $0.

On page 43, line 25, increase the amount by $0.

On page 44, line 7, increase the amount by $0.

On page 44, line 8, increase the amount by $0.

On page 44, line 15, increase the amount by $0.

On page 44, line 16, increase the amount by $0.

On page 44, line 23, increase the amount by $0.

On page 44, line 24, increase the amount by $0.

On page 45, line 7, increase the amount by $0.

On page 45, line 8, increase the amount by $0.

On page 45, line 15, increase the amount by $0.

On page 45, line 16, increase the amount by $0.

On page 45, line 23, increase the amount by $0.

On page 45, line 24, increase the amount by $0.

On page 64, line 24, increase the amount by $0.

On page 64, line 25, increase the amount by $0.

On page 65, line 2, increase the amount by $0.

SEC. . SENSE OF THE SENATE.

It is the Sense of the Senate that the assumptions underlying the functional totals in this resolution include that the increased revenues resulting from the revision of the expatriate tax loophole should be used to eliminate the earnings penalty imposed on low and middle income senior citizens receiving social security.

Mr. DOMENICI. This repeals the expatriots tax loophole and uses the money to eliminate the Social Security earnings penalty.

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.

VOTE ON AMENDMENT NO. 1167 TO AMENDMENT NO. 1166

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced, yeas 97, nays 3, as follows:

[Rollcall Vote No. 202 Leg.]

YEAS—97

Abraham	Conrad	Gregg
Akaka	Coverdell	Harkin
Ashcroft	Craig	Hatch
Baucus	D'Amato	Hatfield
Bennett	Daschle	Heflin
Biden	DeWine	Helms
Bingaman	Dodd	Hollings
Bond	Dole	Hutchison
Boxer	Domenici	Inhofe
Bradley	Dorgan	Inouye
Breaux	Faircloth	Jeffords
Brown	Feingold	Johnston
Bryan	Feinstein	Kassebaum
Bumpers	Ford	Kempthorne
Burns	Frist	Kennedy
Byrd	Glenn	Kerrey
Campbell	Gorton	Kerry
Chafee	Graham	Kohl
Coats	Gramm	Kyl
Cochran	Grams	Lautenberg
Cohen	Grassley	Leahy

Levin	Packwood	Simpson
Lieberman	Pell	Smith
Lott	Pressler	Snowe
Lugar	Pryor	Specter
Mack	Reid	Stevens
McCain	Robb	Thomas
McConnell	Rockefeller	Thompson
Moseley-Braun	Roth	Thurmond
Murkowski	Santorum	Warner
Murray	Sarbanes	Wellstone
Nickles	Shelby	
Nunn	Simon	

NAYS—3

Exon	Mikulski	Moynihan

So, the amendment (No. 1167) was agreed to.

The PRESIDING OFFICER. The question now occurs on amendment No. 1166, as amended.

So the amendment (No. 1166), as amended, was agreed to.

AMENDMENT NO. 1165, AS MODIFIED

Mr. DASCHLE. Mr. President, on behalf of Senator PELL, I send a modification of amendment No. 1165 to the desk and ask unanimous consent that the amendment be so modified, agreed to, and the motion to reconsider be laid on the table.

Mr. DOLE. We have no objection.

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

The amendment (No. 1165), as modified, is as follows:

At the end of title III, insert the following:

SEC. . STUDENT LOAN CUTS.

(a) FINDINGS.—The Senate finds that—

(1) in the 20th century, educational increases in the workforce accounted for 30 percent of the growth in our Nation's wealth, and advances in knowledge accounted for 55 percent of such growth;

(2) the Federal Government provides 75 percent of all college financial aid;

(3) the Federal student loan program was created to make college accessible and affordable for the middle class;

(4) increased fees and interest costs discourage college participation by making higher education more expensive, and more of a risk, for students and their families;

(5) full-time students already work an average of 25 hours per week, taking time away from their studies; and

(6) student indebtedness is already increasing rapidly, and any reduction of the in-school interest subsidy will increase the indebtedness burden on students and families.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume the Labor and Human Resources Committee, in seeking to achieve mandatory savings, should do their best to not increase the cost of borrowing for students participating in the Robert T. Stafford Federal Student Loan Program.

ALTERNATIVE BUDGET

Mr. ROBB. Mr. President, I rise today as a supporter and original cosponsor of the amendment offered by my distinguished friend from North Dakota, which presents an alternative budget resolution to the committee-passed version before us.

While both plans theoretically achieve balance by the year 2002, I believe our alterative is a better budget in many important ways.

It is a better budget because it maximizes our future investments in our people, restoring partial funding in such critical areas as education, infrastructure, and research and development.

It is a better budget because it eases the unprecedented cuts in our Federal health programs contained in the Republican budget, replacing $100 billion in Medicare and $50 billion in Medicaid.

It is a better budget because it restricts current tax loopholes for citizens who make more than $140,000 a year, bringing greater and urgently needed equity to our current tax structure.

And it is a better budget, Mr. President, because it does not designate the so-called economic dividend to an indefensible tax cut which may ultimately benefit our wealthiest citizens.

I participated in efforts to craft this budget resolution, Mr. President, because I believe strongly that we Democrats cannot simply be against everything on the table. Rather, we have a profound obligation to be for something as well.

While no document crafted by more than one Senator can make any Senator completely happy, I am comfortable that this budget brings much needed equity to our debate. It gives us a plan where revenues are on the table along with spending cuts, where critical investments in our people are preserved whenever possible, where our wealthiest do not benefit at the expense of our neediest, and, where—very importantly—our Federal budget is balanced.

Let me repeat that final point, Mr. President.

We offer today a budget resolution that commits us to more deficit reduction than the Republican alternatives by the year 2002. In fact, the budget we propose reaches true balance without using the surplus in the Social Security trust fund by the year 2004. In this amendment, we call for the elimination of our deficit and we outline the budgets that get us there.

This debate is not about whether or not we should have a balanced budget. This debate is how to balance it.

While I believe the cuts in the Republican budget resolution may be unsustainable when committees try to implement them, the plan we offer today, Mr. President, is fair and defensible. It is about meeting our obligation to our children and our grandchildren in a manner that more responsibly protects the strength and security of their future.

I urge my colleagues to support the very serious alternative resolution we bring before the Senate today, Mr. President, and I yield the floor.

AMENDMENT NO. 1127

Mr. BAUCUS. Mr. President, Senator FEINGOLD's amendment would prohibit us from applying any savings above and beyond a balanced budget to tax cuts. The majority has estimated that those savings would be in the range of $170 billion over the next 7 years.

I believe we should have used the estimated $170 billion in savings to reduce cuts imposed by Senate Concurrent Resolution 13 on Medicare, education, EITC and farm programs. As I noted in the statement I delivered to this body yesterday, those cuts are too severe and will hurt the elderly, young people looking to educate themselves, as well as the ordinary fellow trying to support grandparents and put his kids through college.

Amendments which would have applied the $170 billion in savings to reduce the cuts did not pass.

Today, we consider Senator FEINGOLD's amendment which bars using the $170 billion savings for tax cuts and would instead apply it to create a budget surplus.

Mr. President, I strongly support the need to bring our annual deficit to zero. I voted for the balanced budget amendment and would do so again.

Yet, selective, focused tax cuts would be appropriate. Tax cuts that will specifically benefit the middle class taxpayers who find their expectations of a better future challenged or reduced from day to day and who are struggling to support aging parents and who want their children to have the benefit of a college education. At this early point in time, we should not rule out giving them a break.

For that reason, Mr. President, I oppose the Feingold amendment.

Mr. PELL. Mr. President, as the discussion on the budget resolution has progressed, it appears that there are fundamental and partisan differences on our spending priorities and programs. Some of these differences go to the heart of the Democratic and Republican approaches to governance, and call into question the Federal Government's role in society. Soon we may be dismantling the core components of a decades-old social compact between the American government and people.

Our social safety net—Medicare and Medicaid, education, support and assistance for our Nation's poor—is the priority one issue of our time. It is one of the most important functions of our Government, and it encompasses the matters about which the American people care most deeply. As critical as they are, however, this budget debate is about more than just our domestic spending priorities. The spending cuts in the budget plan are so wholesale and comprehensive that they will drastically curtail the U.S. ability to conduct diplomacy and advance our interests abroad.

I would like to take a moment, Mr. President, to focus on the impact of the proposed spending cuts on foreign affairs—the so-called 150 account. This budget will slash funding for U.S. foreign affairs agencies, personnel and assistance programs; virtually eliminate U.S. financial support for the United Nations; and shackle the ability of the United States to participate in U.N. peacekeeping missions.

Even though it has yet to be adopted, the resolution already has had a debilitating impact on our foreign policy

agencies and programs. Last week the Senate Committee on Foreign Relations reported—on a straight party-line vote—foreign relations authorizing legislation that will cut spending for the Department of State and U.S. foreign policy programs by $3.5 billion during the next 4 years. Yesterday the Committee began to mark up foreign aid authorizing legislation, which if reported will have an equally devastating effect on our overseas assistance program.

Together, these bills will abolish three major foreign affairs agencies—ACDA, USIA, and USAID. They will curtail U.S. participation in the United Nations Organization and support for U.N. peacekeeping. They will slash foreign aid spending and virtually eliminate U.S. support for multilateral lending institutions. They will arbitrarily prohibit U.S. participation in multilateral environmental organizations and adversely affect the implementation of critical environmental initiatives. The rush to cut spending is such that the Foreign Relations Committee bills will authorize spending at levels far below even what the budget resolution currently recommends—perhaps as much as $600 million.

On its surface, I acknowledge that for some, this news will not be entirely disappointing. There are those who do not understand the value of spending money on foreign affairs programs, and most opinion polls place foreign aid near the bottom in terms of public support. At the same time, Americans want the United States to remain a prominent world power in the post-cold war era. The people understand this, and the times demand it. Our economic future lies in a global trading system; if we want to protect our national interests we must be active players in the international system.

The problem, however, is that the scope and scale of the budget and spending proposals will force the United States to retreat into isolation. All of these initiatives are negative in tone; they dictate or suggest that we should not engage in certain activities. They do not offer affirmative policy prescriptions. In the post-cold war era, Republicans and Democrats should be working together to fashion a bipartisan strategy for U.S. foreign policy in the 21 century. Instead, we are wasting our time debating neo-isolationist proposals which, if adopted, will result in the United States becoming a feeble, second-rate power. We will be unable to exert influence or work cooperatively with the international community to resolve conflicts, advance our interest, or promote democratic and free market principles.

As written, the budget resolution would set us squarely down the road toward retrenchment and withdrawal. If we choose to go this route, we will do grave disservice to the next generation of Americans. At the end of World War II, we chose not to yield to the temptation of isolationism, and our country prospered as it never had before. I think we should have learned our lesson by now.

Mr. PRESSLER. Mr. President, overall, I am supportive of this budget resolution. I believe it provides a sensible roadmap toward balancing the Federal budget over the next 7 years and I commend my colleagues on the Budget Committee for their efforts.

However, there is one area of the budget resolution with which I disagree: the proposal to sell the Power Marketing Administrations. This sale would have a devastating effect on South Dakota's rural communities and small cities—and on people across the country.

That is why I rise today to join my colleague from Montana in offering a sense-of-the-Senate to strike the Budget Committee's recommendation to sell the Western Area, Southwestern, and Southeastern Power Marketing Administrations—collectively known as the PMA's.

Public power serves many functions in South Dakota. As a sparsely populated State, utilities are faced with the challenge of how to get affordable electricity into small cities and rural communities where there are less than two people per mile of transmission line. Public power provides the solution.

In public power utilities, the only investors are the consumers. Revenues are reinvested in the community—in the form of taxes and services. And, the low cost of power is essential to encourage economic development in small cities and towns.

Public power, purchased through the Western Area Power Administration, known as WAPA, costs South Dakotans an average of 2.5 cents less than the market rate. This allows revenue to be reinvested in additional transmission lines, and better service. The availability of hydropower from the Missouri River to rural cooperatives and municipals has helped to stabilize rates. With 7,758 miles of transmission lines in the Pick-Sloan region, WAPA can serve 133,100 South Dakotans—without charging them an arm and a leg.

Public power has brought more than electricity to South Dakota. For example, Missouri Basin Municipal Power Agency, based in Sioux Falls, has embarked on a program offering incentives for planting trees. The goal is to plant at least one tree for each 112,500 meters in the agency's membership territory. In fact, Missouri Basin was recognized by the Department of Energy for outstanding participation in this Global Climate Change Program. I congratulate Tom Heller of Missouri Basin for this excellent community service program.

Public power also brings new jobs to the communities it serves. In part due to the low cost of power from East River Electric, there are now three injection molding plants based in Madison, SD—creating snowmobile parts. Arctic Cat, PPD, and Falcon Plastics employ approximately 200 people in Madison.

East River also is involved in other economic development activities. It provides classes to help the community attract businesses, and offers grants for feasibility studies associated with economic development projects. South Dakota clearly has benefitted from the work of Jeff Nelson, as the general manager of the East River Electric Power Cooperative.

Public power is a South Dakota success story. It is the source of innovation, development, and community pride. I am sure the same is true in other small cities and rural communities across America. That is why I disagree with the Budget Committee's recommendation to sell WAPA and two other power marketing administrations. This is simply economic smoke and mirrors used to cover up a backdoor tax on rural and small city Americans.

In essence, this would force South Dakotans—and public power consumers everywhere—to cover for the rest of America. Why? Because the sale of the PMA's could result in rate increases totaling more than $47 million.

In addition, many of my colleagues claim that the sale of the PMA's would generate revenue for the Federal Government. Will it? Let us look at the facts.

PMA's still owe almost $15 billion in principal. Also, more than $9 billion in interest already has been paid to the Federal Government. By selling the PMA's, the Government would forfeit future interest payments.

In fact, a recent report prepared by the Congressional Research Service demonstrates just how much money the PMA's are expected to contribute to the Federal Government. This year, WAPA is expected to pay back $225.1 million borrowed from the Federal Government. But WAPA will also return another $153.4 million to the Treasury. Given these figures, it is clear that this plan does not make good economic sense.

As my colleagues know, this is not a new issue. I have been fighting the proposed sale of the PMA's ever since I came to Congress. In 1986, the Reagan administration made similar attempts to privatize the PMA's. I worked with many of you to pass a law to prevent the Department of Energy form pursuing any future plans to sell the PMA's, unless specifically authorized by Congress. As the debate over the sale of the PMA's rises again, it seems this law has been forgotten.

Mr. President, once again, we are fighting to prove the worth of public power. Once again, we must demonstrate how necessary it is to the lives of rural and small city Americans. The people of South Dakota have stated their message loudly and clearly—through thousands of postcards, letters, and phone calls. South Dakotans such as Ron Holstein. Bob Martin, and Jeff Nelson have been leaders in their opposition to the proposed AMA sale and I appreciate their hard work.

Public power is a solid investment for the Nation. Public power is one of the great success stogie of South Dakota. I urge all my colleagues to stand united behind this amendment to allow the continued existence of the public power, and the essential service it provides to the Americans who reside in small cities and rural communities. Now is not the time to mess with success.

Mr. HATCH. Mr. President, I wanted to take a few moments to comment on the effect of the pending budget resolution on the Medicare Program.

I believe history will indicate there is no one in this body who has risen to give a more vigorous defense against unwise Medicare reductions than I.

Medicare is an important program. It provides needed, valuable, and indeed vital, services for millions of elderly and disabled Americans. Thirty-seven and one-half million to be exact.

Our job is to ensure that beneficiaries have the services they need, that the services are of the highest quality possible, and that they are cost-efficient. We need to ensure that services are available in rural as well as urban areas. We need to make sure that we have a system which provides incentives for providers to deliver this high-quality, cost-efficient care.

In sum, on this, the 30th anniversary of Medicare's inception, we must do everything we can to preserve the program, not tear it apart.

What is largely ignored, however, is the fact that absent any congressional action, Medicare will go bankrupt by 2002. In fact, it will run into the red by next year.

My question is that: Is it the budget that threatens Medicare—or the very design of the program?

The answer is clearly the latter, as most experts will concur.

Let us look at the facts.

First, Medicare is going bankrupt. The 1995 Annual Report of the Board of Trustees of the Federal Hospital Insurance Trust Fund, issued on April 3, indicate that the present financing schedule for the HI—Hospital Insurance, or part A—program is sufficient to ensure the payment of benefits only over the next 7 years. The situation for physician payments under part B of Medicare, is only slightly more optimistic.

Second, we cannot sustain the current growth rate of Medicare. Over the next 7 years, the period of this budget resolution, Medicare hospital benefits are projected to grow more than twice the rate of revenues.

Mr. President, at this time, it takes about four covered workers to support the benefit payments to each enrollee on Medicare A. That ratio is declining quickly, so that the trustees have estimated by the middle of the next century, only two covered workers will support each enrollee. In fact, absent any legislative changes, that scenario won't come to pass, because Medicare will have been bankrupt long before then.

According to the most recent estimates of Medicare spending—the March baseline issued by the Congressional Budget Office—in 1995, Medicare is expected to spend $181.2 billion—$113.6 billion in outlays for hospital costs, and $67.6 billion for physician and related costs.

Ten years from now, however, total hospital outlays are expected to grow to $247 billion, and physician costs to $215.8 billion.

These numbers are troublesome for two reasons. First of all, they show a level of spending which cannot be sustained. They indicate that spending for the Medicare Program is expected to increase over the next decade to almost half a trillion dollars, to $463.2 billion to be exact—more than double current levels.

And second, they show the dramatic rise in spending for part B. This year, part B costs are roughly half of the amount for part A. In 10 years, they are almost equal.

Third, projected shortfalls in Medicare are astronomical. The Congressional Budget Office has estimated that it will take $345 billion in additional revenues just to keep Medicare solvent over the next decade. This is $345 billion extra.

The budget resolution assumes a $265-billion reduction in the rate of increase over the next 7 years, thus keeping the program solvent for that time period.

Fourth, the budget resolution does not cut Medicare, it cuts its rate of growth. Under this budget resolution, Medicare spending will still exceed $1.65 trillion over the next 7 years. Medicare spending is projected to grow by 94 percent between fiscal years 1995 and 2002 under this budget. Put another way, on average Medicare spending is projected to grow at nearly 10 percent annually, while private health spending will average less than 7 percent. Under the budget resolution, Medicare spending will still grow on average 7.1 percent per year.

Fifth, to do nothing would be fiscally and morally irresponsible. As I have said, absent congressional action, Medicare will go bankrupt, pure and simple. But there is another compelling fact to consider. Total Medicare expenditures this fiscal year will account for 11.5 percent of the entire Federal budget. Clearly this growth rate is unsustainable; it threatens both current and future beneficiaries.

Sixth, there are no easy answers. I wish there were a simple answer to the Medicare conundrum.

Two weeks ago, Stuart M. Butler, vice president and director of domestic policy studies for the Heritage Foundation, wrote a very compelling article entitled, ''The High Cost of Not Reforming Medicare.''

Mr. Butler clearly and concisely outlined the choices available to the Congress. He wrote:

There are only two choices available to the Congress:

Choice #1: Do not change the way in which Medicare is run by the government, and pay for future benefits by raising new revenues through higher payroll and other taxes or by diverting money from other programs. This means Medicare survives only by draining money away from the rest of the budget or by raising taxes.

Choice #2: Change the way Medicare is run so that benefits are delivered more efficiently, avoiding future tax increases or a diversion of money from other programs. Making the program more efficient would improve the quality of benefits and the choices available to retirees while reducing the double-digit rate of outlay increases. This would slow the depletion of the trust fund and stabilize the program.

As an illustration of the impact of choice No. 1, Mr. Butler noted that the Medicare Hospital Insurance Trust Fund could be put on a sound, permanent actuarial footing right now—by raising payroll taxes 3.52 percent on top of the current 2.9-percent rate. The impact, however, would be enormous. A worker earning $45,000 would pay an additional $1,584 a year, obviously an unwise step which would not be acceptable to the Congress.

Clearly, the better course of action is to improve the Medicare program, making it more efficient and cost conscious. This will not be an easy task. Indeed, it will be extremely difficult, perhaps the most difficult task that has faced the Congress in decades. But it must be done.

In closing, Mr. President, I wish to make one final point.

I do not wish to give the impression that I am diminishing the enormity of the task before us.

I am extremely concerned about Medicare reductions of this magnitude.

I could not vote for this budget if I thought that we were taking an action that would lead to the demise of Medicare. Medicare is a promise we made to our Nation's elderly and future elderly.

On the contrary, after considerable study of this issue, I can come to no other conclusion than that taking no action will lead to the demise of Medicare.

I believe it would be both fiscally and morally irresponsible to stand aside and propose no changes in Medicare, knowing all the while that a staunch adherence to the status quo would lead to bankruptcy of the program.

Let me hasten to add that I will be monitoring this situation very, very carefully.

Under the budget resolution, the Committee on Finance will now begin work to outline specific Medicare changes to meet the instructions contained in this bill.

As a member of the Finance Committee, I intend to participate fully in those deliberations, to make certain that the changes we craft are as equitable and responsible as possible.

It is not my intent that the changes we undertake drive providers out of business, force hospital net operating margins into the red, or deprive beneficiaries of needed services, although some changes will certainly have to be

made to save Medicare. We must face this situation realistically.

If we find that these proposed changes have an adverse effect that affects patient health, whether in Utah or anywhere else in the Nation, I pledge to work closely with my colleagues to rectify the situation.

Mr. President, I do not mean to downplay the gravity of the situation. Reductions of this magnitude, even though they are reductions in the rate of growth, are difficult for me—and I would venture to say for every Senator—to support. Such reductions will indeed have an impact.

But, in the Senate, as in life, there are times when we have to do the right thing, even if it is also the hard thing. Members of the Senate and House simply must see beyond their next elections. We must force ourselves to look at the long term.

The alternative—bankruptcy of the Medicare system—is unthinkable and must be avoided. If we fail in this task, the health care safety net that Medicare provides for millions of current seniors—not to mention those who are approaching senior status—will be lost.

I appreciate that the Budget Committee's recommendations were adopted with considerable angst. I commend Senator DOMENICI and members of the committee for doing the right thing. We must all focus on solutions to this urgent national fiscal dilemma.

PROTECTING AMERICA'S INFLUENCE ABROAD

Mr. LEAHY. Mr. President, this budget resolution calls for elimination of the budget deficit. I support that goal, but there are many different ways to achieve it. I do not support the formula proposed by the Republicans. It will hurt the poorest people, and reward the wealthiest. There is no better example of the fundamental differences between Republicans and Democrats.

Right now, I would like to focus on what the other side's proposed budget would do to Function 150, the part of the budget that finances programs to advance U.S. foreign policy.

Function 150 is not a large item in the Federal budget. It amounts to only a little more than 1 percent of total Federal expenditures. It is only 8 percent of our budget for national defense.

But it is vitally important to every man, woman, and child in this country. The United States is the world's only remaining superpower. We have an historic opportunity to influence global events, and to make sure that political and economic developments around the world are consistent with American interests.

The momentum is already in the right direction. American investments over the past 40 years have paid off. Not only has the direct threat of Communist aggression disappeared. The end of confrontation between the two superpowers has also caused the world to refocus attention on the evils of dictatorship and abuse of human rights that persist in many places. And the collapse of centrally planned economic systems has discredited state ownership of the economy all around the world. For the first time in history, the trend is almost single-mindedly toward adopting the values that Americans hold dear—democracy, human rights, private property, open markets, competition.

But it is much too early yet to relax our vigilance. The world remains an unpredictable, violent and unstable place. The United States still has a vital interest in leading the way towards peace and democracy and prosperity and away from conflict and instability.

The military threat to America has receded, but it is more true today than ever that American prosperity is linked to conditions in the rest of the world. Millions of Americans jobs depend upon persuading other countries to open their borders to U.S. exports and helping them to raise their incomes so they can afford to buy those exports. Providing Americans clean air and clean water depends upon international action to protect the environment. Keeping Americans healthy depends on cooperative action to fight disease in other countries. Stemming the flow of illegal immigrants and refugees to the United States depends on advancing democracy and economic development in the countries from which the refugees are fleeing.

For all that people complain about the U.S. Government wasting money overseas, Americans overwhelmingly reject isolationism. They want the President of the United States to continue to project American power and influence abroad.

Maintaining a strong military provides underpinning for that exercise of leadership. But who wants us to have to risk shedding American blood? We need the President to conduct an aggressive, preventive foreign policy that will secure America's interests peacefully. This is where Function 150 is absolutely critical.

It is Function 150 that provides the funding for the President to lead:

It pays for the State Department and U.S. Embassies around the globe that maintain communication with foreign governments and pursue cooperation with them. It funds the diplomacy that just a few weeks ago secured the indefinite extension of the Nuclear Non-Proliferation Treaty, with the enormous promise it offers for reducing the threat of nuclear explosions.

It funds U.S. contributions to the various international organizations that are the glue that holds our international economic system together:

The United Nations which notwithstanding its weaknesses—weaknesses that stem primarily from the differences of its members—plays a critical role in focusing international attention on world problems and helping resolve them;

The International Monetary Fund which brings governments together to protect the stability of the international monetary system; and

The World Bank and regional development banks that mobilize capital to help the poorer countries develop economic policies that will produce equitable, sustainable economic growth.

It funds America's bilateral assistance programs. These include programs for helping Rwandans fleeing from genocide; programs for containing the spread of AIDS and other deadly, infectious diseases; programs for assisting Russia to install democratic systems and privatize state-owned enterprises; programs for advancing the Middle East peace process.

It funds the efforts of the Export Import Bank of the United States and other agencies to promote U.S. exports.

The budget resolution envisions a $2.4 billion reduction in Function 150 spending in the 1996 fiscal year, with additional reductions in subsequent years. This may not seem like much in a $1.5 trillion budget, but it amounts to over 12 percent of the current Function 150 budget. Subtracting out accounts that cannot be reduced, it means cuts of over 30 percent in many of the remaining accounts. This is not streamlining, this is decapitation.

Mr. President, quite simply, the cuts in Function 150 that the budget resolution contemplates would undermine the President's ability to protect American interests abroad by non-military means. Let me cite just a few examples:

We would abandon efforts to promote political and economic reform in Russia and the other former centrally planned economies. Given the opportunity to help turn our worst enemy into a friend, the Republicans want us to shrug and turn our backs. I am not thrilled with everything Russia is doing. The destruction of Chechnya embodies the worst of old-style Soviet heavy-handed repression. But there have been many astonishingly positive developments in Russia, Ukraine, and the other central and eastern European countries over the past couple of years too. Enhanced freedom of the press. Privatization of enterprise. Elections. Our aid is aimed at advancing reform. What folly for us not to seek to nurture what is good in the new Europe.

We would virtually terminate efforts through the World Bank to promote economic reform and growth in the poorest countries of sub-Saharan Africa and Asia. This is no trivial matter. If these countries, with their hundreds of millions of people, start to grow, they will offer vast new markets for employment-generating U.S. exports. If, on the other hand, they descend into fratricidal war and economic decay, they will produce ever-more-overwhelming flows of refugees and disease. Representing not just the United States but the entire world community, the World Bank and the other multilateral development banks are the most promising instrument for bringing change to these desperate countries. In the past few years, they have finally begun to record success in

producing broad-based growth in some of these countries. For less than $2 billion per year, the United States has the prospect of promoting the development of economies accounting for a third or more of the world's population. This is a sound investment. The Republican budget resolution would cancel that investment.

We would slash spending on bilateral development assistance. This is assistance that is keyed directly to U.S. interests. We promote democracy and sustainable development in countries that are major sources of refugees and migrants. The Agency for International Development has taken decisive steps during the Clinton administration to bring its activities fully into sync with U.S. foreign policy priorities. It is grossly inaccurate to call its programs tax-dollar throw-aways, as some have said.

Programs of special interest to many Senators, like aid to Eastern Europe and the Baltics, Cyprus and Ireland, and military aid to Greece and Turkey, would be eliminated. The Ex-Im Bank, Peace Corps, PL–480 food aid, and educational exchanges would all be slashed.

Of course, the United States cannot do any of this by itself. But no one is asking us to. The United States has already fallen to 21st among foreign aid donors in the percentage of national income that it devotes to development assistance. We aren't even the largest donor in terms of dollar amount anymore. Japan has now left us in the dust. The budget resolution would force us to withdraw from broad areas of development assistance entirely.

When I became chairman of the Foreign Operation Subcommittee in fiscal year 1990, the Foreign Operations budget, which makes up two-thirds of the Function 150 account, was $14.6 billion. During my 6 years as chairman, we cut that budget by 6.5 percent—not even taking into account inflation—while the remainder of the discretionary spending in the Federal budget increased by 4.8 percent. Most of those cuts were in military aid. They were a calculated response to the end of the cold war. But that job is now pretty well done. Foreign aid today is substantially less than it was during the Reagan and Bush administrations.

Mr. President, we must recognize that there is a limit to how far we can cut our budget for international affairs. Our allies are scratching their heads, wondering why the United States, with the opportunity to exercise influence in the world more cheaply than ever before, is turning its back and walking away. We are inviting whoever else wants to—friend or foe—to step into the vacuum and pursue their interests at our expense.

Mr. ROTH. Mr. President, this is an historic moment—today we are closer than ever before to putting America's economic house in order. The last time Congress balanced the budget was 1969—more than a quarter-century ago. Since that time, and despite the will of the American people, Congress has been overdrawing the public checkbook year after year after year.

Today the opportunity has come to put an end to out of control Federal spending—spending that has taken money from the private sector, the very sector that creates jobs and economic opportunity for all Americans, spending that gambles away our children's future—spending that costs us jobs in the workplace and economic security in the home.

For too long, Congress has faced the deficit dilemma like an errant alcoholic or perpetual dieter, with the words: We'll start tomorrow. Well, Mr. President, this is tomorrow, and the budget that Senator DOMENICI and others have crafted is the cure. It is the only cure.

The President's budget proposals for next year offer clear evidence of the lack of political will to make the hard choices when it comes to cutting government spending. At first, his decision was not to fight for further deficit reduction this year. Now, because he sees what the House and Senate have done, he's revisited the issue, offering another watered-down proposal. It's kind of like the little boy who—wanting to bend the rules to benefit himself—holds his breath until he turns blue, then, realizing he can hold it no longer, tries to save face by renegotiating the rules of the game.

This is no time for politics. The American people are crying out for a smaller, more efficient government. They are concerned about the trends that for too long have put the interests of big government before the interests of our families and job-creating private sector. They are irritated by the double standard that exists between how our families are required to balance their checkbooks and how government is allowed to continue spending despite its deficit accounts.

It is clear, Mr. President. The time has come to heed the will of the people. It is our duty, not only to heed their will, but to act in their best interest. And that is what this budget is all about. It makes the hard choices, eliminating some 140 programs. It consolidates duplication and makes Federal programs run more efficiently, more effectively, placing many of the existing programs back in the States where they belong. The Republican budget also allows for a $175 billion reserve fund to finance tax cuts when the budget reaches balance.

The budget holds Congress and the White House up as leaders—as examples in the effort to reduce government spending. Both the legislative and executive are required to reduce spending by 25 percent. This budget protects Social Security and Medicare—vital programs to the well-being of millions of Americans, but programs that would be bankrupt within a few years without the provisions offered in this budget. And, Mr. President, this budget does not cut those programs; spending continues to increase. What this budget does is slow down the rate of increased spending to a level that will allow the programs to survive! It is that simple, and do not let anyone tell you otherwise.

Social Security spending will increase from $334 billion to $482 billion over the next 7 years. Medicare spending will increase at an average of 7.1 percent annually, rising from $178 billion this year to $283 billion by fiscal year 2002. This budget is the only workable answer on the table. President Clinton himself has warned about how these programs are going to be insolvent in the near future. Yet, he has offered no viable alternative.

His most recent effort to counter the House and Senate budgets plan is little more than political twaddle. The Washington Post itself noted that this counter budget which we have yet to see is ironic in that just 3 months ago the President ''sent Congress a budget that increases the federal deficit.'' Mr. President, this is not a game. We are talking about real life, real jobs, real families and communities and the future of our children. Balancing the budget for our Nation is one of the most important steps we can take to ensure the economic opportunities for prosperity for our children and for our children's children.

As a nation—and as individuals—we are morally bound to pass opportunity and security to the next generation. This is what the budget we are proposing today will help us do. As Thomas Paine has written, no government or group of people has the right to shackle succeeding generations with its obligations. Without this budget, children born today will have a tax burden of up to 84 percent of their lifetime earnings; without this budget, each child who owes $18,500 in his share of the national debt will find that obligation increasing to $23,000 in just 5 years. Without this budget, there will be no real and meaningful reduction in the size and overbearing power of the Federal Government.

As chairman of the Senate Governmental Affairs Committee I have outlined a plan to reduce the Federal bureaucracy, eliminate outdated and wasteful government programs, and to strengthen government's ability to better serve the taxpayers.

In January I kicked off a series of hearings on ''Government Reform: Building a Structure for the 21st Century.'' It is my belief that as we move into the 21st century, so should our Government. Innovative technologies should allow us to cut out many layers of management bureaucracy, and reduce Federal employment. Programmatic changes should also occur.

Last month I released a report that asked the GAO to examine the current structure of the Federal Government. The GAO examined all budget and government functions and missions. They did not conduct in-depth analysis, but

simply illustrated the complex web and conflicting missions under which agencies are currently operating.

The GAO report confirms that our Federal behemoth must be reformed to meet the needs of all taxpayers for the 21st century. I am convinced that it is through a smaller, smarter government we will be able to serve Americans into the next century.

Deficit spending cannot continue. We can no longer allow waste, inefficiency, and overbearing government to consume the potential of America's future. I am committed to spending restraint as we move to balance the budget by the year 2002. And I ask my colleagues—and all Americans—to support our efforts.

Mr. COATS. Mr. President, I believe that the Senate's debate on the balanced budget amendment was a turning point in this session of Congress—perhaps a turning point in the economic affairs of our country. It was important, not for its disappointing final vote, but for the issues it clarified.

During that debate, opponents of the balanced budget again and again challenged those of us supporting it. If you really want a balanced budget, propose one. One Member of this body put it like this: ''Let Senators get to work to show Americans we have the courage this amendment presumes that we lack.''

This seemed like a good argument to many people—an argument against easy hypocrisy on the budget. Opponents of the balanced budget amendment pressed it as hard and as far as they could.

They threw down a gauntlet before a watching Nation. This week, Republicans have picked it up. And those who made that challenge have fled from the field—proposing nothing constructive of their own. They revealed that their point in the balanced budget debate was not a conviction, but an alibi.

For the first time since the 1960's, thanks to this Republican 7-year budget—offered both in the House and Senate, we can see our way clear to a balanced budget. After 40 years of wandering in the desert of deficit spending, we are finally destined for the promised land of balanced budgets.

There is courage in this budget—courage we have not seen for decades, courage that makes this an historic moment. But, if we are honest, it is courage without alternatives. The status quo may be comfortable, but it is not sustainable. The road we are on may seem wide and easy, but it ends with a cliff, and the fall will be disastrous for our economy, disastrous for our people (including our seniors). Disastrous for our children, and for this Nation's future.

The figures are familiar, but they have lost none of their power to shock. Our national debt currently stands at $4.8 trillion, which translates into $19,000 for every man, woman, and child in America. This figure will jump to $23,000 by 2002. If we ignore our budget crisis, a child born this year will pay $187,150 over their lifetime just in interest on the national debt.

The argument for immediate change—immediate restraint—is simple. It is one of our highest moral traditions for parents to sacrifice for the sake of their children. It is the depth of selfishness to call on children to sacrifice for the sake of their parents. If we continue on our current path, we will violate a trust between generations, and earn the contempt of the future.

There is no doubt that we need cuts in government to balance the budget. But there is one more reason as well. We need cuts in government because government itself is too large—too large in our economy, and too large in our lives. Even if the books were balanced, we would still need a sober reassessment of the Federal Government's role and reach.

This is not a matter of money alone. We require cuts in government because endless, useless, duplicative programs should not be (to use a favorite term of the administration) ''Reinvented''—they should be terminated. Because we reject the vision of a passive Nation, where an arrogant government sets the rules. Because we want to return, not only to an affordable government, but to a limited government. And those limits will help unleash the unlimited potential of our economy and our people.

Votes we make during this debate are likely to be some of the toughest we ever cast. But if we are honest, most of those votes would not be tough calls for most Americans. I have yet to meet a man or woman from my State who believes that reducing the rate of growth in government is anything but a minimal commitment to common sense.

The changes made by this budget are bold, but not radical. They are ambitious, but not dangerous. This is a careful plan to meet a specific need.

Under the Senate resolution, Government spending will rise from its current level of $1.355 trillion to $1.884 trillion in 2002. This is an increase of nearly 40 percent. To put this in perspective, a family currently making $45,000—if its income grew at the rate Government will grow under the Republican plan—would be making $63,000 in 2002. Surely a family could construct a budget to meet this higher level of spending. The Federal Government will be required, under the Republican plan, to do the same.

There are honest disagreements about the merits and priorities of many of these reductions. I expect we will have a hard-fought debate.

On Medicare, it was the President's own commission which concluded: ''The Medicare Program is clearly unsustainable in its present form, we strongly recommend that the crisis presented by the financial condition of the Medicare trust funds be urgently addressed on a comprehensive basis.'' Reforming Medicare and slowing its growth is precisely what the administration itself proposed. ''We feel confident,'' said Hillary Clinton, ''that we can reduce the rate of increase in Medicare without undermining quality for Medicare recipients.'' Ira Magaziner added, ''slowing the rate of growth actually benefits beneficiaries considerably because it slows the rate of growth of the premiums they have to pay.''

Under this budget, Medicare will remain the fastest growing item in the Federal budget, increasing at an annual rate of 7.1 percent. Spending on Medicare alone will grow from $178 billion this year to $283 billion in 2002—an increase of 59 percent.

As promised, Social Security will remain untouched. Spending will actually increase from the current annual total of $334 billion to $480 billion in 2002. One of our central goals has been to protect the integrity of the Social Security system. Social Security benefits will be preserved.

I firmly support this budget—but I have two concerns, which will eventually come to the center of our debate.

Our Government has a budget deficit which cannot be sustained. But there is another deficit that concerns Americans as well—a deficit in the resources of families to care for their own. A deficit we have created by increased taxation over the years, an erosion in the personal exemption. Many families are in a permanent recession, directly caused by Government policies.

We must understand, first, that a balanced budget and family-oriented, growth-oriented tax relief are not mutually exclusive proposals. They are part of the same movement in America—a movement to limit our Government and empower our people. One idea implies and requires the other—when we reduce public spending, we should increase the resources of families to meet their own needs. That is a good investment, a sound investment. A dollar spent by families is far more useful than a dollar spent by Government.

America can have a balanced budget and tax relief for families. No choice is necessary between them. One proposal in particular makes this clear. An amendment that will be offered by Senator GRAMM slows the growth of spending to 3 percent rather than the 3.3 percent currently outlined in the resolution—allowing additional funds for tax cuts. Giving the American people back just 1.5 percent of total budget spending is not too much to ask.

Senator GRAMM's amendment embodies the provisions of the families first legislation that I introduced earlier this year with Senator ROD GRAMS. It proves that deficit reduction and tax relief can go hand-in-hand. We have met the challenge of those who said it could not be done. Adding this provision to the budget resolution will prove to families all across the Nation that their concerns are a central element of budget reform.

It is time to admit that when families fail, so does our society. Their financial crisis is as urgent and as important as any other priority in this

debate. The Gramm amendment is a way for the Senate to prove it.

Much of the opposition to tax relief seems to be based on a myth—a myth that tax cuts somehow cost the Government money. But Government produces nothing, and has no resources of its own to spend. Tax cuts are not a waste of Government funds. They are simply a method to allow Americans to keep their own money and care for themselves. They are a method to build working independence as an alternative to destructive government paternalism.

My second concern relates to our level of defense spending. The Clinton budget is clearly inadequate to retain our long-term readiness and the quality of life of our troops. On this issue we are talking about the primary purpose of government—to defend our national interests without placing our soldiers at needless risk. We have seen disturbing evidence in the Armed Services Committee that the Clinton level of funding will leave our forces without all the tools, training and conditions to fulfill the roles we will ask of them.

Many of us are struggling to recoup at least some of this shortfall. Senator THURMOND will be proposing an amendment to restore a portion of this funding. I hope the Senate will support it.

Mr. President, we have come to the beginning of the end of deficit spending in America. We have come to this place because there is no alternative. Two decades of promises, two decades of rhetoric, budget proposals, budget deals, tax increases, unfulfilled promises on spending cuts, all these have failed. This is the best argument for a balanced budget amendment—defeated, for the moment, by just one vote. So we turn to this effort—the only effort—the only game in town.

The President has abdicated his leadership on this most critical of all issues facing our Nation. Likewise, Democrats have offered no alternative of their own.

So we have come to a time that is unique and historic—an authentic moment of decision. It is a moment to act worthy of our words and keep faith with the future.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Mr. SARBANES. Mr. President, I rise in opposition to the Budget Committee's proposals with respect to the Community Block Grant [CDBG] program. The Budget Committee's report that accompanies the budget resolution recommends a 50 percent cut in the CDBG Program and calls for targeting CDBG funds to the most needy areas. I strongly oppose those. CDBG funds are a critical component of this Nation's efforts to revitalize its low- and moderate-income communities. CDBG is already well-targeted to distressed communities, and, more importantly, CDBG is well-targeted to low-income neighborhoods within those communities that receive the block grants.

CDBG has been a major element of our Nation's housing and community development strategy for over 20 years. CDBG was signed into law in 1974 by then President Gerald Ford. It is surprising to me that the Republican budget-cutters have targeted this program for inordinate cuts, because CDBG is an excellent example of the policy approaches that my colleagues on the other side of the aisle espouse. CDBG is a block grant. The program distributes its funds on a formula basis to State and local governments, and provides jurisdictions with flexibility on the use of the funds within broad national objectives. CDBG embodies the principle of developing responsibility and decision-making to local governments. It allows local governments to tailor specific solutions to meet their specific community development needs.

The need for these resources is vast. Too many of our Nation's communities still suffer. Vacant housing, closed plants, and empty shops are the visible manifestations of neighborhoods with persistent unemployment, broken families, and high crime rates. We know that revitalizing distressed communities requires a multi-faceted approach: successful strategies are using community-based organizations to deliver programs that simultaneously attack the physical blight while addressing the social service needs of the residents. With its built-in flexibility, CDBG allows local governments to implement comprehensive strategies that may, for example, combine the rehabilitation of the commercial strip, with the small business start-up loans, with the job training for local residents and the child care.

The Budget Committee's notion of targeting CDBG should also be considered carefully. CDBG is already well-targeted. The formula for the program does a good job of distributing CDBG funds by need: 50 percent of the program funds go to the 20 percent most distressed cities based on a distress ranking created by HUD. Only 5 percent of the funds go to the least distressed cities. Moreover, program data shows that 90 percent of the CDBG funds go to benefit low- and moderate-income households consistent with the national purpose of the program.

In the past, proponents of targeting have proposed three types of approaches. Some have proposed to cut off formula grant funds to smaller communities, forcing these communities to compete for funds through the state-administered program. Others have proposed to eliminate grants to wealthier communities. And, still others would tighten the criteria HUD uses to measure program benefits.

CDBG currently provides a direct formula grant to more than 900 urban counties, communities with populations above 50,000 people, and consortia of smaller communities. Allowing these communities to receive annual, reliable formula grants is extremely important from the perspective of the local jurisdiction's need to plan for the use of the funds and to pursue long-term strategies.

In some wealthier jurisdictions, CDBG rules often provide the impetus for community development activities in low-income neighborhoods that would not otherwise occur—especially if the communities were entirely responsible for serving their poorer neighborhoods out of own-source revenues. CDBG's fundamental national objective of serving low- and moderate-income neighborhoods argues for a continued distribution of CDBG funds to all jurisdictions with these needs.

Finally, it would be ironic if, by calling for targeting, the Budget Committee were proposing to tighten the criteria that govern how communities use the funds. Tighter targeting criteria would take away local discretion and flexibility, and, therefore, run counter to the philosophy of those who promote block grants. Moreover, forcing grantees to spend more of their funds to benefit poorer neighborhoods is not a rationale for a 50-percent cut in program funds. Indeed, the resource needs of our poorest communities are so vast, that if the program objective was based on only strict targeting to very poor neighborhoods, this would make the case for increased funding.

I would argue that given the limited resources, preserving the current program targeting is desirable. States, counties, and cities may find that an optimal economic development strategy would be to use small amounts of CDBG assistance to leverage private investment in areas with other existing features attractive to investors. Grantees who have been losing population, may want to focus community development activities on stabilizing mixed income neighborhoods or in pursuing strategies to lure moderate-income households into low-income neighborhoods. These are local decisions and appropriate community development strategies.

I oppose the Republicans proposed cut of 50 percent in CDBG Program funds because CDBG is making a difference in thousands of American communities. A recent evaluation of the CDBG Program by the Urban Institute concludes that ''. . . the program has made an important contribution to city community development, including demonstrated successes in achieving local neighborhood stabilization and revitalization objectives. It's fair to say that in almost every city, neighborhoods would have been worse off had the program never existed, and certainly, cities would not have embarked on the housing and redevelopment programs that now comprise a core function of municipal government. Further, CDBG-funded programs clearly benefit those for whom the program was intended—low- and moderate-income persons and neighborhoods—and does so by a substantially greater degree than the minimum required under law.''

Mr. President, CDBG has a proven track record. Our Nation's communities continue to need our support.

OPPOSITION TO TRANSIT CUTS

Mr. SARBANES. Mr. President, I want to express my strong opposition to the Budget Committee's proposal to eliminate Federal mass transit operating subsidies.

The report that accompanies the Senate Budget Resolution calls for eliminating mass transit operating subsidies. Simply stated, these cuts will have significant consequences for our Nation's communities by leading to increased fares, reductions in services, and losses in ridership. As a result, working people will find it more difficult and costly to get to their jobs, roadways will become more congested, and environmental quality will decline.

Public transportation is a critical element of our economy. In 1990, 8.8 billion American took transit trips; 7.5 million people ride public transportation every weekday. Of these trips 54.4 percent are trips to work. An additional 20 percent of the trips taken by transit riders are to get to school or to access medical services. Trips to work are especially important uses of transit systems in large urban areas; use of bus service by elderly households to get medical attention is the largest component of rides in smaller communities and rural areas.

A high proportion of transit riders are low-income persons or minorities, 27.5 percent of the transit ridership has incomes below $15,000 compared to 16.9 percent in the general population. African-American and Hispanic riders as a percentage of total ridership are more than two times the percentage of African-American and Hispanic individuals in the general population. However, the importance of transit for working people is underscored by statistics showing that 55 percent of the riders have incomes between $15,000 and $50,000.

For most transit systems, operating revenues are a combination of fares and federal and state money. Assuming no increases in state contributions, fares would, on average, have to increase 50 percent to make up for the loss of revenue. Cuts in operating subsidies will also have disparate impacts on smaller communities. Federal operating subsidies make up 21 percent of total operating revenues for transit systems in communities below 200,000 people compared to 13 percent on average for all transit systems. Fares would nearly have to double for these smaller systems. This assumes no cutbacks in services and no loss in ridership as a result of the fare increases.

Many individuals faced either with increased fares or decreased service will either have to give up their employment or use their cars to get to work. According to an article by Neal R. Pierce in the National Journal on April 15 of this year, one study already puts the cost of traffic congestion at $100 billion a year in lost productivity. Fewer transit riders and more drivers will exacerbate this problem. More cars on the road and increased congestion will worsen air quality in metropolitan areas where environmental quality is already strained.

I realize, Mr. President, that the Budget Resolution itself does not cut transit operating subsidies. Decisions with respect to the appropriate level of funding for operating subsidies are left up to the Appropriations Committee. However, I felt it was important to raise a voice in opposition to the recommendation in the Budget Committee's report at this time and to urge my colleagues to begin to focus on the many cost to our citizens that would occur if the Budget Committee's proposed cuts in transit operating subsidies were carried out.

SECOND SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT, 1995—CONFERENCE REPORT

Mr. DOLE. Mr. President, I submit a report of the committee of conference on H.R. 1158 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the 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, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

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

(The conference report is printed in the House proceedings of the RECORD of May 16, 1995.)

The PRESIDING OFFICER. Who yields time?

The Senator from Oregon.

Mr. HATFIELD. Mr. President, I yield myself whatever time I require.

Mr. President, the conference report before us reflects the agreement of the two Houses on H.R. 1158, a bill making emergency supplemental appropriations for the additional disaster assistance and making rescissions for fiscal year 1995, and for other purposes.

This conference report is a culmination of several weeks of effort on a number of different fronts. It represents a balance between our responsibility to provide additional funding when necessary to address urgent national needs, on the one hand, and our responsibility to reduce funding for lower priority programs whenever and wherever we can, on the other hand. The Senate's conferees on this measure present it to the Senate with a belief that it merits approval of this body, and I urge its adoption.

The bill provides a total of $7,249,503,600 in additional appropriations, of which $6,700,000,000, equally divided between fiscal years 1995 and 1996, is for FEMA for the disaster relief programs. We have fully funded the President's request in this regard, and we concur with his designation of this funding as an emergency requirement.

We also agree with the President's request for additional emergency appropriations in response to the Oklahoma City tragedy and have provided $183,798,000 for that purpose.

Finally, we are recommending $365,705,600 in nonemergency supplementals for fiscal year 1995. That latter figure includes $275 million in debt relief for Jordan as requested by the President and endorsed by the joint leadership of the Senate.

In addition, the conferees reached agreement on rescissions of budget authority and other funding limitations totaling $16,413,932,975, and those reductions have been the focus of the debate throughout the consideration of the bill.

Mr. President, I ask unanimous consent that a table summarizing the supplementals and rescissions recommended in the bill be printed in the RECORD.

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

H.R. 1158, SECOND SUPPLEMENTAL AND RESCISSION BILL CONFERENCE AGREEMENT

	President's request	House allowance	Senate allowance	Conference	Conference vs.—		
					President's request	House allowance	Senate allowance
TITLE I—SUPPLEMENTALS AND RESCISSIONS							
Emergency supplementals:							
FEMA disaster relief, 1995	6,700,000,000	5,360,000,000	1,900,000,000	3,350,000,000	−3,350,000,000	−2,010,000,000	1,450,000,000
FEMA disaster relief, 1996 advance			4,800,000,000	3,350,000,000	3,350,000,000	3,350,000,000	−1,450,000,000
Other emergency supplementals	718,297,000	28,297,000			−718,297,000	−28,297,000	
Subtotal, emergency supplements	7,418,297,000	5,388,297,000	6,700,000,000	6,700,000,000	−718,297,000	1,311,703,000	
Other supplementals	434,672,000	85,471,600	306,915,600	365,705,600	−68,966,400	280,234,000	58,790,000
Subtotal, supplementals	7,852,969,000	5,473,768,600	7,006,915,600	7,065,705,600	−787,263,400	1,591,937,000	58,790,000
Rescissions	−1,536,623,805	−17,187,861,839	−15,144,481,050	−16,247,831,476	−14,711,207,671	940,030,363	−1,103,350,426
Reductions in limitations on obligations		−201,791,000	−279,166,000	−166,101,500	−166,101,500	35,689,500	113,064,500

H.R. 1158, SECOND SUPPLEMENTAL AND RESCISSION BILL CONFERENCE AGREEMENT—Continued

	President's request	House allowance	Senate allowance	Conference	Conference vs.—		
					President's request	House allowance	Senate allowance
Rescissions and other reductions	−1,536,623,805	−17,389,652,839	−15,423,647,050	−16,413,932,976	−14,877,309,171	975,719,863	−990,285,926
Total title I	6,316,345,195	−11,714,093,239	−8,137,565,450	−9,182,125,876	−15,498,471,071	2,531,967,363	−1,044,560,426
TITLE II—GENERAL PROVISIONS							
Travel and administrative reduction			−342,500,000				342,500,000
Forest Service timber sales		−31,169,000	−31,169,000	−31,169,000	−31,169,000		
Total title II		−31,169,000	−373,669,000	−31,169,000	−31,169,000		
TITLE III—ANTITERRORISM AND OKLAHOMA CITY							
Total title III	116,037,000			183,798,000	67,761,000	183,798,000	183,798,000
Bill total, budget authority	6,432,382,195	−11,745,262,239	−8,511,234,450	−9,029,496,876	−15,461,879,071	2,715,765,363	−518,262,426
Reductions in limitations on obligations		−201,791,000	−279,166,000	−166,101,500	−166,101,500	35,689,500	113,064,500
Bill total, budget resources	6,432,382,195	−11,947,053,239	−8,790,400,450	−9,195,598,376	−15,627,980,571	2,751,454,863	−405,197,926
Note.—Rescissions and other reductions:							
Rescissions	−1,536,623,805	−17,187,861,839	−15,144,481,050	−16,247,831,476	−13,607,857,245	2,043,380,789	−1,103,350,426
Travel and administrative rescission			−342,500,000		−342,500,000	−342,500,000	342,500,000
Reductions in limitations on obligations		−201,791,000	−279,166,000	−166,101,500	−279,166,000	−77,375,000	113,064,500
Total reductions	−1,536,623,805	−17,389,652,839	−15,766,147,050	−16,413,932,976	−14,229,523,245	1,623,505,789	−647,785,926

Mr. HATFIELD. Mr. President, I believe this is a good bill. I believe we should pass it, and I believe the President of the United States should sign it into law. I know that the President's administration has objections to the final outcome reached by the conferees. But I hope the President will realize the conferees addressed many of his most pressing concerns, and we tried as best we could to reach an accommodation of his interests. The so-called striker replacement language which the administration indicated was the sole provision—I emphasize the sole provision—that would prompt a Presidential veto on its own was dropped. That was in a letter addressed to me as the chairman of the committee signed by Alice Rivlin, the Director of OMB.

I wish to reiterate. In all of the period of this bill's consideration, there was only one communication from the White House that indicated there was a proviso in the bill that would elicit a veto response from the President. I think that is very important to understand. And during that 2 months of the consideration of this bill and for the week and a half practically that we were in conference, the only other communications were verbal communications indicating categories of disappointment, and that is all I can call them. There were no specifics that were given to us. Account-by-account categories of disappointment that we had failed to reach the President's funding request levels in a number of education matters, and so forth, but they were general.

I wish to emphasize also that there were many days in which there was more than one encounter with Presidential representatives from the White House and not once did I, as the chairman of the committee, receive any kind of counsel requests that would indicate we had to comply with certain requirements of the White House in order to get a signature. There was always the striker replacement and categories of what I call disappointment.

On any number of funding issues, we moved more than halfway toward the administration's priorities as they were known to us.

I would like to also indicate, having served on this committee over a number of years, this is the first administration that has not hovered in the appropriations process, hovered day by day, hour by hour, making known specifics, their requests, and what they considered to be the requirements of a compatible bill between the Congress and the President.

In the past 2 days, we have seen indications that the President intends to veto this legislation. I suppose I should say that there have been more than indications since the President himself said as much in public remarks yesterday.

I am very, very disappointed by that. I want very much to see this bill enacted. It is not the bill in all its particulars that I personally would craft if I were acting alone, but it is a most significant step in the direction of a balanced budget which we all, the President included, have endorsed as a common goal.

Our conference agreement would achieve an estimated $3 billion in fiscal year 1996 outlays which may be a drop in the bucket compared to the enormity of the task ahead but is a good start, and get started we must.

So I hope the President will reconsider and will sign this bill, assuming that we pass this report. And if he chooses to veto it, he will miss a great opportunity. Other opportunities may lie ahead, and I have always been ready to work with this or any other administration to seize those opportunities as they arise. But I hope the President, and his many advisors, will remember that the legislative exercise, particularly in matters of the budget, is an exercise in give and take and neither side can expect to have things entirely their own way.

I yield the floor. Mr. President, I ask unanimous consent to reserve the remainder of my time for Senator COCHRAN.

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

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, the conference agreement on H.R. 1158 is the product of lengthy and difficult negotiations with the House conferees. The agreement we reached was the best we could do, under the circumstances.

The President has expressed his dissatisfaction, and has indicated his intent to veto the measure when it reaches his desk. Despite the misgivings of some, I want to remind the Members of the time-sensitive and emergency nature of some of the items included in the bill.

The conference agreement includes the full $6.7 billion request for the Federal Emergency Management Agency, FEMA, disaster relief efforts. These funds are to be used to finance the relief costs associated with the Northridge earthquake, as well as to address declared disasters resulting from floods and storms throughout some 40 States, including the most recent, extraordinary rains and hail which occurred in Louisiana and some other States. These funds are needed in the next several weeks, or FEMA will run out of funds to assist in these disasters.

With regard to the administration's request for emergency supplemental appropriations in the wake of the tragedy in Oklahoma City, the conferees provided approximately $250 million for anti-terrorism initiatives and Oklahoma City recovery efforts. This included substantial increases above the President's request for the FBI, the Department of Justice, the Secret Service, the Bureau of Alcohol, Tobacco, and Firearms, and the Judiciary. Included in this amount is $67 million to meet the special needs of the General Services Administration created by the April 19, 1995, terrorist bombing attack at the Murrah Federal Building.

With regard to the striker replacement issue, the Senate bill struck a provision which was included in the House bill and which would have prohibited the use of any funds in any appropriations act for fiscal year 1995 to

issue, administer or enforce any Executive order that prohibited Federal contracts with companies that hire permanent replacements for striking employees. The conference agreement deletes that provision.

The conferees adopted a provision which I authored and which passed the Senate by a vote of 99 yeas to 0 nays. This provision will assure that the net savings in this bill, in the amount of approximately $9 billion, will be applied to deficit reduction only.

Members will recall that under the Daschle/Dole joint leadership amendment, which was adopted when the measure was before the Senate, approximately $835 million was restored for various programs which assist children and improve education programs. Among those funds added back by the joint leadership amendment were a number of Presidential and congressional priorities, such as AmeriCorps, WIC, summer jobs, school-to-work, and Chapter 1. Despite numerous meetings and the strong efforts of the Senate conferees, the House conferees were adamant, and the Senate was not able to sustain many of the priority addbacks in conference. For example, of the $35 million in the WIC restoration in the Senate, the conferees agreed to restore $15 million. With regard to Chapter 1 funding for the education of the disadvantaged, the Senate was successful in preventing any funds from being rescinded. The House had proposed rescinding $140.3 million and the conference agreement fully restored these funds. The conferees also fully restored the House-proposed rescission of $16.3 million for impact aid. Overall, for the programs of the Department of Education, the House had proposed rescinding $1.6 billion, the Senate had restored $1.3 billion, and the conferees agreed to rescind approximately $800 million. In other words, the conferees restored about $800 million or one-half of the education cuts proposed by the House. However, this still fell short, by about $500 million, of the Senate level of restorations in the education area.

Members may also be encouraged to know that the Senate position prevailed in conference with regard to the 1995 Summer Youth Program. The full cut of $867 million, as proposed by the House, was restored. The conferees did, however, rescind all funding for next summer's program, although this issue can be revisited during the processing of the fiscal year 1996 appropriations bills.

In conclusion, Mr. President, the conference agreement now before the Senate provides important disaster relief and antiterrorism funding. The objectionable provision relating to striker replacements is deleted. The savings in the bill of about $9 billion will be applied to deficit reduction. Unfortunately, there are still substantial cuts in priority programs affecting children and improving education. The Senate conferees struggled to support the Senate positions, but, through the give-and-take of the conference process, were unable to sustain all Senate positions. Nevertheless, the rescissions agreed to in conference are more reasonable and responsible, in large part, than were contained in the original version of the House bill.

Consequently, I urge the adoption of the conference report. If the conference report is adopted by the Senate and the bill is vetoed when it reaches the President's desk, and if the veto is sustained, it remains to be seen if the Congress, in subsequent legislation, will be able to do any better in the areas of concern to the President.

Mr. President, in closing, I compliment the chairman, Senator HATFIELD, for his leadership in bringing this legislation through the conference. I also compliment all of the Senate and House conferees. They worked hard and they worked diligently to resolve the issues in conference. Although I would have favored other outcomes in conference, I must commend the House conferees, under the leadership of their chairman, Mr. LIVINGSTON, and their ranking minority member, Mr. OBEY, for their fairness and cordiality. I think it is a good agreement and I intend to vote for it.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. DASCHLE. Mr. President, this bill passed the Senate on a totally bipartisan vote of 99–0. I voted for it, along with every one of our Democratic colleagues.

I had hoped I could vote for this conference report, especially given the hard work that the chairman, ranking member, and every other member of the committee put into the compromise that passed in the Senate.

I particularly want to thank the ranking member for his efforts in bringing the bill to the point that we had it prior to the time it went to conference. And I would like to thank him as well for his efforts in the conference. Without his tireless effort, this conference report would lack even more than it does of the characteristics of the agreement we reached with the majority leader. I know that the distinguished Senator from West Virginia, the ranking member, did everything in his power to preserve that agreement.

Unfortunately, despite those efforts, some key changes were made in conference at the behest of many of our Republican colleagues.

As a result, I am unable to support this conference report today, and the President is absolutely right to insist that these changes be reversed. If they are not, the President, in my view, is right to veto the bill.

This is a different bill than the one we supported when it passed the Senate. The bipartisan compromise we reached with the majority leader made it a bill that we could support and the President could sign. Unfortunately, in conference, that deal was undone. The priorities were changed.

This is not a fight about deficit reduction. It is a fight about priorities. We all agree and have voted to cut over $16 billion as this bill proposes. We simply disagree about where the cuts ought to be made.

The bipartisan deal we reached actually cut spending in the bill by $812 million. The Dole-Daschle amendment restored $835 million for investments in children and education. It paid for these investments with $1.65 billion in additional cuts in lower priority programs.

The deal cut spending by twice as much money as it added back for children and education. Yet, the programs for which we restored $835 million were cut $685 million in conference below the amount provided in the Senate bill. In other words, 80 percent of the funds for programs we restored were dropped in conference.

Those cuts, while a small part of the overall bill, betrayed the agreement that we had in the Senate. Worse, in my view, they undermined our highest priority: America's children and their families.

The programs shortchanged by the conference agreement include child care, education, Safe and Drug Free Schools, child nutrition, and the President's national service program. As a result:

Fifteen thousand fewer adults will serve their communities and earn money for education as AmeriCorps members;

Two thousand fewer schools in 47 States will receive funds for comprehensive reforms that can boost academic standards;

Several thousand young people would lose the opportunity to participate in apprenticeships in the School-to-Work Program;

Nearly 20 million students and nearly 90 percent of all schools would lose the benefits of antiviolence and drug prevention programs.

We simply cannot accept this effort to undermine a bipartisan agreement we made to protect our investments in children and education. At the same time, we have no debate with the bulk of the provisions in this bill. We accept and have voted for the same level of cuts contained in it.

We would prefer to have a rescissions package that we can all support. Disaster funding for FEMA, the President's antiterrorism initiative, and the costs arising from the Oklahoma City bombing should not be held hostage because certain Members insist on cutting funds for children's programs.

It is not too late. There is still time for us to accommodate many of these concerns, and I hope in the coming days that discussion and perhaps resulting negotiations can bring about a better result.

If this bill is vetoed, we should quickly revisit the issue and make the changes that can allow us to support

and the President to sign a better bill. We are going to have to put the pieces back together in some form that accommodates our concerns, but also addresses the bipartisan concern about the need for $16 billion in overall rescissions. Whether it is done before or after, it must be done. Many of us prefer it be done before. But if it is done after, let us get on with it, let us do it, let us do our job and do it right.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I want to say to my colleague from Arizona, I will be relatively brief, probably within 10 minutes.

Mr. President, let me just thank the Senator from West Virginia for his fine work. In many ways, I look to him as a teacher, especially when it comes to understanding this process and also when it comes to wedding integrity with politics. I thank him.

I rise, however, in disagreement with two Senators for whom I have a tremendous amount of respect, because I hold the Senator from Oregon in the same high regard, in the highest regard.

Mr. President, while I supported many of the cuts provided for in this bill, I really believe that what happened in conference committee, as the minority leader pointed out, really violates a basic standard of fairness. For example, I brought an amendment to the floor which put the Senate on record that we will take no action that would increase hunger or homelessness among children. The distinguished Senator from Oregon accepted that amendment as a part of this rescissions package that then went to conference committee. The amendment was dropped in conference.

I understand why it was dropped, that we were simply expressing the sense of the Senate, and not the sense of the House of Representatives, too. But I also realize, based upon the cuts in this rescissions bill and based upon some of the votes that we have cast today, that it is going to be very important for me and other like-minded colleagues to work hard to make sure that we, in fact, will not take such action in the months to come as we move through this budget process. Mr. President, I think that is exactly what we are doing.

Frankly, I was never quite sure of that bill we passed in the Senate. I worked about 12 or 15 hours. So did other Senators, right before the final vote which must have been about 10 p.m. that night, to restore certain funding for key programs.

I felt proud at that point, because while it was not all that I wanted, it moved us in the right direction. And when I got up in the middle of the night about 3 a.m. that night, I started thinking maybe I should not even have voted for that package. It was a close call. We have a lot of close calls, and we make our best decisions.

However, I felt good about some of the work many Members had done together. We restored some of the funding for WIC, Women, Infants and Children Program, restored funding for child care. There was a counseling program for seniors, to make sure that they did not get ripped off, as all too often happens when it comes to some of the supplemental Medicare coverage. We worked hard to restore funding in Medstart, safe and drug-free schools, School to Work initiatives.

In any case, Mr. President, I felt like we had done a good job of restoring some funding for programs that are not bureaucratic, but that makes a very important difference to a lot of young people in our country, especially children at risk.

Mr. President, now what has happened is that more than 80 percent of the funds that we restored, most of that funding for the most vulnerable citizens in this country—children—have now been cut again. Of the $835 million we restored, $685 million was dropped in the final package.

Mr. President, I believe that this rescissions packages just simply does not meet a basic standard of fairness. So many kids are in trouble in our country, and we have to be willing to reach out and invest in them, reach out and provide support for them.

Not support that reinforces dependency, but support that is important to kids, that broadens their opportunities. Starting with making sure that a woman who is expecting a child has a decent diet. Making sure that a newborn infant has a decent diet. What are we doing cutting the Women, Infant, and Children Program? It is an unqualified success.

Mr. President, there were never any cuts in the Pentagon budget. None of the big military contractors was asked to sacrifice at all.

I think this rescissions package asks the very citizens who cannot tighten their belts, to tighten their belts. Especially children in our country. Especially low-income children, minority children.

And it is for that reason I believe the President of the United States is absolutely right when he says we should make some changes in this bill, or he will veto it. And they don't have to be wholesale changes, relative to the amount of funds in the whole bill. There are parts of this rescissions package I want to support. So do my colleagues. But when it comes to the disproportionate cuts that affect the most vulnerable citizens in this country, starting with children, it just simply is wrong. And the President of the United States of America is absolutely right to draw the line. To say, ''I am not going to be a party to or agree to a package of cuts that basically focus on those citizens who do not give the big bucks, who did not have the political power. These are just cuts based upon the path of least political resistance, and I won't be a party to them.''

And let me observe one more thing about the President's role in all these negotiations on this bill. It has been implied on the floor here today that the administration did not provide its full views on the rescission bill as it moved through the conference committee process. That is simply not true. I understand the administration provided its specific objections to the bill at each stage of its development, including a letter to the conferees on April 28. These objections are printed in the CONGRESSIONAL RECORD of May 18, 1995 on pages H5339 through H5352. I commend this letter to my colleagues' attention.

Mr. President, let me finally say one more thing about this bill. I do not know that there is another Senator who has been more of a leader on issues that affect people in Indian country than Senator MCCAIN, and so I say this conscious of his important role.

In many Indian communities there is no running water, sanitation facilities or indoor plumbing. Mr. President, 40 percent of the American Indian population live in substandard housing, in substandard housing conditions, in deplorable conditions.

Yet we are now poised to wipe out $80 million that was duly appropriated last Congress, which could really make a difference in providing some affordable low-income housing. Mr. President, I cannot stand by in silence, while the Senate prepares to pass legislation which I think would have devastating effects on our first American citizens.

Mr. President, as I review overall this rescissions package, I just think that we can do better. What has come back from the conference in the form of this conference report includes many of the cuts we restored for nutrition programs, safe and drug free schools, safe housing for children, child care, School to Work, AmeriCorps, 8 percent of that, has now been cut again.

I speak tonight to express support for the President's decision but, more importantly, to support some of the most important citizens in my State and in this country, and that is young people. Some of the kids who are having the most difficult time are the very kids we ought to be supporting right now.

We can do much better. I think we will do much better. But only if we stand strong and only if the President remains firm in his commitment.

I yield the floor.

Mr. MCCAIN. Mr. President, I do not intend to take the full 30 minutes as I have under the unanimous consent agreement, and also I would like to yield some of the time to the Senator from Pennsylvania. Also, if necessary, I would be glad to yield some of the time to my colleague from Iowa or the Senator from Mississippi in response to some of the concerns that I have.

First let me applaud the Appropriations Committee for doing an admirable job and resisting earmarks and

other unnecessary spending, and I especially want to thank Chairman HATFIELD, Senator BYRD, Chairman LIVINGSTON, and other members of the committee.

I also disagree with the President for stating that he intends to veto this bill. Certainly, the bill is not perfect, but it does, I think, contribute to our efforts to reduce unnecessary spending.

There are several aspects of this bill that I have concerns about and, very frankly, Mr. President, when the President says there is pork barrel spending in the bill, I am sorry to say that I also have reached that conclusion.

I just want to mention several aspects of the bill, and I would be glad to hear a response either from the distinguished Senator from Mississippi, from West Virginia, or the Senator from Iowa, if he so chooses.

To begin with, there are several portions of the bill where money was added—added—in, and projects created without being in either rescission bill before it went to conference.

Again, Mr. President, I find this practice unacceptable. I find it a deprivation of my rights as a Senator to vote and debate on authorization and appropriation, and that is why I would continue to raise especially these items that are put in conference without consultation with the rest of the Senate or even, very frankly, having been debated or discussed in the formulation of the bill on both sides.

One, the bill's text says:

Of the funds made available under this heading in Public Law 103–330 and other Acts, $1,400,000 are rescinded; *Provided* that of balances available within this account, $12,678,000 shall be available for a grant to Iowa State University for the construction of the National Swine Research Center.

And the manager's statement says:

The House bill proposed rescinding $12,678,000 from amounts appropriated for the National Swine Research Facility in Ames, Iowa. The conference agreement provides that the $12,678,000 for the National Swine Research Facility be provided as a grant to Iowa State University to construct that facility at Ames, Iowa. The conferees direct the Agricultural Research Service to convey ownership to Iowa State University. The conferees are aware of the interest and need for important swine research; however, financial constraints require difficult choices. The conferees expect that any future cost of operation associated with that facility be provided by sources other than the federal government.

By the way, I noted that just last month the President of the United States went to Iowa and expressed his strong support for spending $13 million for a 13th Federal swine research center.

What I do not understand here is, first, why does this action have to be taken in a conference that is on a rescission bill? That is No. 1. No. 2, why should it be given to Iowa State University? Are there other universities in the country that are qualified? Was there any competition? Was there any estimate made of the cost? Or did we just decide that $12,678,000 should be given to build a facility at Iowa State University? There may be very legitimate answers to these questions, but none of them have been discussed or debated by the entire U.S. Senate.

There are several more, but two especially. One concerns Clear Lake Development Facility.

The conferees agree to include an administrative provision which will enable the National Aeronautics and Space Administration to exercise an option to purchase the Clear Lake Development Facility, as modified for use as a Neutral Buoyancy Laboratory. The facility is currently being leased by NASA. It is the intention of the conferees that the cost of the facility as modified by the current owner (or contractor) and delivered completely modified to NASA, will be no more than $35,000,000.

The bill text says:

SEC. 1008. The Administrator shall acquire, for no more than $35,000,000 a certain parcel of land, together with existing facilities, located on the site of the property referred to as the Clear Lake Development Facility, Clear Lake, Texas. The land and facilities in question comprise approximately 13 acres and include a light Manufacturing Facility, an Avionics Development Facility and an Assembly and Test Building which shall be modified for use as a Neutral Buoyancy Laboratory in support of human space flight activities.

This provision, which is in the bill text, and the report language was not in either the House or the Senate bills as passed by each body. Have there been hearings on this matter? The President's budget request does not contain request for this purchase.

It is my understanding that NASA must now, should this act become law, purchase this one certain parcel of land. What if there were other facilities that could be bought more inexpensively?

Does NASA need the facilities described in the bill text?

Why is NASA purchasing building facilities that it is then directed to convert into a buoyancy lab?

Does NASA have any need for these additional buildings?

It is my understanding that McDonnel-Douglas currently owns this facility. What is the fair market value of this facility? Have NASA and McDonnel-Douglas been negotiating this sale?

Could not this purchase wait for the normal authorization and appropriation process to occur?

It seems to me if we are going to make a purchase of $35 million from a private corporation of a piece of land it should not appear suddenly in the conference report of a rescission bill. As I say there may be perfectly legitimate reason to do so, but this is no way to legislate.

The next one, of course, that I find very unusual is:

Notwithstanding any other provision of law or regulation, the National Aeronautics and Space Administration (NASA) shall convey, without reimbursement, to the State of Mississippi, all rights, title and interest of the United States in the property known as the Yellow Creek Facility and consisting of approximately 1,200 acres near the city of Iuka, Mississippi, including all improvements thereon and also including any personal property owned at NASA that is currently located on-site and which the State of Mississippi to facilitate the transfer: Provided, that appropriated funds shall be used to effect this conveyance; Provided further, that $10,000,000 in appropriated funds otherwise available to NASA shall be transferred to the State of Mississippi to be used in the transition of the facility; Provided further, that each federal agency with prior contact to the site shall remain responsible for any and all environmental remediation made necessary as a result of its activities on the site * * *

The Manager's statement says:

Yellow Creek Facility, Mississippi—The federal government has a long history of involvement in Yellow Creek, located near Iuka, Mississippi. The site, originally purchased by the Tennessee Valley Authority for use as a nuclear energy plant, was subsequently transferred to NASA after the nuclear energy plant's cancellation. NASA intended to use Yellow Creek to build the Advanced Solid Rocket Motor (ASRM) and, after its cancellation, instead committed to use the site to build nozzles for the Redesigned Solid Rocket Motor (RSRM). On May 2, 1995, due to its current budgetary constraints, NASA terminated the RSRM nozzle production effort at Yellow Creek. The bill language included by the conferees on the transfer of the NASA Yellow Creek facility reflects the most recent commitment made by the NASA Administrator to the Governor of the State of Mississippi. The major investment by the State of Mississippi in facilities and infrastructure to support Yellow Creek, in excess of $100,000,000 is a key to factor in NASA's agreement to turn the site over to the State of Mississippi. The main elements of the agreement reached between NASA and the State of Mississippi, which the conferees expect to be adhered to by the two parties, are as follows; The Yellow Creek facility will be turned over to the appropriate agency of the State of Mississippi within 30 days of enactment of this Act. All of the NASA property on Yellow Creek which the State of Mississippi requires to facilitate the transfer of the site transfers within the site to the State, subject to the following exceptions * * *

And those exceptions are interesting, to say the least. But, also, and the final paragraph is also interesting:

Within thirty days of enactment of this Act, $10,000,000 will be transferred from NASA to the appropriate agency of the State of Mississippi. The site's environmental permits will become the property of the State of Mississippi. NASA will provide all necessary assistance in transferring these permits to the State of Mississippi.

Again, Mr. President, this is a rescission bill. This provision was contained in neither the House nor the Senate bills nor accompanying reports. Again, this language is not in the President's budget.

Why are we forcing NASA to buy one parcel of land while we are forcing it to give another away at no cost? If NASA has been working with the State of Mississippi on this matter, why was this provision not included in the rescission bill when that measure was before the Senate? Is there some emergency, some reason why we are transferring this land to the State of Mississippi in this bill without waiting for

NASA reauthorization and appropriations bills?

Mr. President, there are numerous other provisions in this bill which I will make part of the RECORD as part of my statement. But here is the problem again.

The problem is that we have authorization bills on which many issues are silent, like these two I just went over. Then we have an appropriations process here on the floor of the Senate where we are silent on these two major projects totaling well over $70 million here.

And then out of the conference into the report, where no Member of this body can make any changes to it, appear these appropriations for as much as $50 or $60 million in this case. It deprives the Members of the Senate of the ability to debate and discuss issues and the expenditure of their taxpayers' dollars.

Especially egregious is when it is on a rescission bill. This is not a spending bill. This is a rescission bill. So instead of cutting funding we are adding money.

Mr. President, as I say, there are probably good and valid and legitimate reasons for these areas and others I will highlight in the formal part of my statement. But I can assure you, there is no argument that can be made that this process is correct because it does not allow the Members of this body, who were duly elected but were not members of the conference on appropriations with the other body to have any input whatsoever into these decisions. We deserve that. And it is our obligation, since it is our taxpayers' dollars being expended, to be a part of that.

I hope this process will stop. I hope this process will stop. We are about to begin the appropriations cycle of some 12 or 13 bills.

I intend, I say to my colleagues, to continue to do everything in my power to stop this practice and return to the practices that we should follow in the U.S. Senate, which are hearings, authorization, appropriation, conference, and final signing of the bill by the President of the United States.

Mr. President, I ask how much time I have remaining?

The PRESIDING OFFICER. The Senator has 18 minutes and 5 seconds remaining.

Mr. McCAIN. Mr. President, I will yield at the appropriate time, when he is ready, 10 minutes to the Senator from Pennsylvania, of my time remaining.

Mr. SANTORUM. Mr. President, I thank very much the Senator from Arizona for yielding. I appreciate his comments. It is gratifying to know the Senator, not only on this bill but many other bills that come through here, is dogged in his determination to ferret out inappropriate things that are put in bills. I appreciate the Senator's comments on that and congratulate him on his vigor.

I wanted to first congratulate the Senator from Oregon, Senator HATFIELD, and the Senator from West Virginia, Senator BYRD, on plain, true leadership in this bill through the process. They went into the conference and they stood by the Senate positions as best they could. They negotiated, I think, a very good bill, a bill that strikes a good balance in a variety of different programs. They provided leadership. They provided leadership. They stood up, fought for what they believed in, and they were able to succeed in coming out with a compromise bill that I think will pass overwhelmingly on the Senate floor.

I am not surprised by the comments of Senator HATFIELD. Senator HATFIELD said that in his entire tenure as a Member of the Appropriations Committee—which I am sure spans well over 20 years—that this was the first conference committee that he has been to where the administration had no input, had no one there, was providing no guidance, no leadership, no direction as to where to take this conference report and how to reduce the budget deficit. Absent, without leadership, AWOL again this time on a $16 billion rescissions bill. It was not there.

Now, after Senator HATFIELD, Senator BYRD, and Chairman Livingston over in the House worked so hard, put together and crafted a compromise that they could all live with, the President comes in and waves a white flag and, says, ''Oh, no. I do not like this. I know this is bad. Of the $16 billion there, is almost $1 billion I do not like. I cannot sign it. I wish you would have told me.''

That is not leadership. That is not taking a very serious problem, and the problem is the budget deficit, and doing something proactive coming into those conferences and providing direction.

So now we see the veto threat coming out, that they are going to veto this bill that passed the House with bipartisan support, and passed the Senate with partisan support, and will now go to the President to be buried. It is something that did not have to happen.

If there is a sad thing about what is going to occur in the next few days, it is it did not have to be this way. The reason it is this way is because the President refused to lead. But this should come as no shock to anyone in this Chamber.

One of the reasons I am here tonight—and I have been for the past several nights—is to talk about the President's lack of leadership with respect to the budget resolution. Now, 6 days ago, as I add the number 7 to the chart—7 days ago Senator DOMENICI's Budget Committee presented a balanced budget resolution on the floor of the Senate. It has been 7 days with no proposal to balance the budget from President Clinton now, a week the President has sat on the sidelines. Yesterday was day 6, a potentially exciting day because there were reports that the President was actually going to come forward with a budget, that he said in some radio interview with National Public Radio in New Hampshire that he was really going to work on his 10-year budget plan, that he thought we could get to a balanced budget in 10 years, and he was going to offer something.

But, again, not with a great amount of surprise, the President came out today, and according to the Washington Post:

> Clinton sidestepped questions about whether he was still committed to the time frame he outlined in a weekend radio interview with four New Hampshire reporters * * *

He said, you know, I think all Americans should be committed to a balanced budget.

That was his new comment that, you know, we should all be for this but, of course, he is not going to put anything forward. In fact, Michael McCurry, his spokesperson, his press secretary, said:

> Right now, to come forward [with an alternative budget] would be an idle exercise.

Now I understand. Leadership, according to the White House, is an ''idle exercise,'' going to conference committee meetings to discuss reducing the budget deficit by $16 billion is an ''idle exercise'' that is not worth the President's time. Why should he get involved in anything such as cutting money or the balanced budget? This is an ''idle exercise.'' This, for a President who weeks ago had a debate with himself as to whether he was relevant to the process here in Washington.

Mr. President, you are answering your own questions by your actions.

So while he says, ''Well, I am not now putting together a budget because it would be an idle exercise to do so,'' we find out from senior spokespeople at the White House that the Office of Management and Budget is working on a budget. I do not know whether they are not telling the President they are working on a budget or the President does not want anybody to know he is working on a budget, or whether, you know, someone is just leaking it out that they are working on a budget so we think they are working on a budget. These are all very interesting things that could be going on.

But the bottom line is that it is 7 days and no budget, no plan; 7 days, no leadership, no direction, no ideas, walking away from one of the greatest and most important moments in the last several decades, which is balancing this budget.

I am not surprised, but I am disappointed. As I said before, I am going to come here every day, every day between now and October 1, and challenge the President to stop it; please, please stop it. Please stop me from coming here and having to put this chart up, having to print up more numbers. These get expensive. I do not want to print up more numbers.

So I have to keep adding numbers to the chart here about how many days it

has been since you have decided not to participate in the process.

Today was an interesting day. It was an interesting day today. We had several Democratic Senators come forward with their balanced budget proposals. After, I am sure, imploring the Chief Executive Officer of the country to propose his budget that balances the budget, they decided to venture out on their own and introduce the budget an hour before the end of debate on the balanced budget resolution.

We had 50 hours of debate on the budget, and 1 hour before the termination of debate, several Democratic Senators rushed to the floor with their idea sketched out—I do not know whether it was on the back of the envelope or the front of the envelope—but it was sketched out in very vague terms about how they are going to get there. We are going to have some tax increases. We knew that. I mean, that was a given. The question was, how much? They said $230 billion. The Senator from New Hampshire was suggesting maybe it is more like $400 billion, about a third of what they want to cut the deficit by.

They want to do it over 9 years instead of 7. They want to use some of our cuts. They want to use some of our savings given by the Congressional Budget Office by balancing the budget, none of which has been scored by the Congressional Budget Office. They just want to throw this together with no specifics, no plan on how to get the $150 billion in cuts they want to get out of Medicare, no plan on how they are going to restructure any of the programs that they want to cut in domestic discretionary or defense spending —no specifics, just some numbers, just some tax increases, and just a lot of rhetoric about, you know, we are for this too, we want to be relevant, too.

After sounding somewhat critical, I congratulate them. I congratulate them for at least stepping from behind the shadows and moving forward, and saying, ''We believe in a balanced budget, too. Here is how we are going to get there. We don't believe we should fundamentally restructure Government as much as you think we need to do. We need to increase taxes some more because the American public does not pay enough to run this place. So we need to tax them some more.''

That is fine, if they believe that. If that is what you believe, then come here and defend it.

I congratulate them for having the courage to come up and defend it. I am hoping that when this debate is all—

The PRESIDING OFFICER. The 10 minutes allotted to the Senator has expired.

Mr. SANTORUM. I yield the floor.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin [Mr. FEINGOLD], is recognized.

Mr. FEINGOLD. I rise to thank my good friend, the senior Senator from Arizona, for his comments regarding various provisions included in the conference report of the rescissions bill.

Let me first reiterate how pleased I am to be working with the Senator on a variety of congressional and budget related reforms. He and I share a number of common concerns regarding the impact of special interests on elected Government, and I was delighted when the Senator from Arizona approached me before this session began to see if I would be interested in working with him on some of those issues.

That kind of bipartisan spirit is essential if we are to build anything truly meaningful and lasting in the 104th Congress.

Without that spirit, all that can be done is to advance an agenda that is hollow and transitory. Despite the understandably partisan tone of the statements often made in the Chamber, I know there are people of good will on both sides of the aisle who are willing to try to tackle problems together.

I have often mentioned the Kerrey-Brown deficit reduction package that was developed in the last Congress as an example of that kind of effort. And I was happy to be a part of that bipartisan effort.

I think the effort the Senator from Arizona and I are making is another such example of bipartisan work.

There has been some progress made already this year. I was delighted that a measure to clean up the emergency appropriations process, which the Senator from Arizona and I sponsored, was included in the line-item veto measure that passed the Senate, and I very much hope that the line-item veto conferees will retain that emergency spending provision. And there will be others as well.

Mr. President, one of the ongoing efforts that the Senator from Arizona and I agreed on was to undertake a look at the earmarked items in appropriations bills. The Senator from Arizona has a long history of this already, of certainly some discomfort to some, but I believe it has had an impact. Just the knowledge that the Senator from Arizona will be asking questions about these kinds of appropriations can be a deterrent. I certainly hope this is the case. And I also hope that by joining him in this effort on a regular basis, we can discourage even more.

So, Mr. President, that brings me to the rescissions bill. It is ironic that legislation intended to take a first step toward a balanced budget has become again a vehicle for a number of provisions that I think move us in the wrong direction. Not only does the conference report specify new spending, for which there is no compelling or immediate need, it also contains provisions which restore funding beyond the level which passed either House.

My friend from Arizona mentioned some of these items. We have all read about the various earmarked transportation projects, courthouses and other building projects that somehow continue to endure. They are kind of like cockroaches; no matter what we throw at them or how many we kill, some of them still survive.

Mr. President, there are other programs as well: $12.7 million for a National Swine Research Center. It is my understanding that, as I believe my friend pointed out, there are already a dozen such centers. Do we really need a 13th swine research center? And if we do need a 13th swine research center, should there not be a competitive process to justify where the thing is sited?

Another one: $1 million allocated to the Advanced Lead-Acid Battery Consortium.

Mr. President, it is my understanding that one company is the principal beneficiary of this research funding. This has all the trappings once again of corporate welfare. I question whether we should be dedicating scarce revenues to the kind of applied research for which the private benefits clearly exceed the public benefits.

And then, Mr. President, we find the following provision in section 1008 of the bill. It says:

> The Administrator shall acquire, for no more than $35 million, a certain parcel of land, together with existing facilities, located on the site of the property referred to as the Clear Lake Development Facility, Clear Lake, TX.

The section goes on to explain that NASA is being directed to buy this property to use as a neutral buoyancy laboratory.

One might well ask, Mr. President, what this provision is doing in a bill, the main focus of which is to reduce the deficit.

But, Mr. President, just when you think you have seen it all, you read the very next provision, section 1009, which reads as follows:

> Notwithstanding any other provision of law or regulation.* * * NASA shall convey, without reimbursement, to the State of Mississippi, all rights, title and interest of the United States in the property known as the Yellow Creek Facility and consisting of approximately 1,200 acres near the city of Iuka, MS.

Mr. President, if you can believe it, it gets worse. Further down section 1009 we find the following.

> Provided further that $10 million in appropriated funds otherwise available to NASA shall be transferred to the State of Mississippi to be used in the transition of the facility.

Not only are we giving away this facility, Mr. President, the Federal Government is actually throwing in $10 million to sweeten the deal in something we call a rescissions bill.

Mr. President, in two consecutive sessions of the so-called rescissions bill, NASA is required to pay $35 million for 13 acres of land and facilities in Texas to establish a neutral buoyancy lab and to give away 1,200 acres of land and facilities in Mississippi along with a bonus of $10 million.

My back-of-the-envelop arithmetic suggests that Federal taxpayers netted out losing $45 million and 1,187 acres from just those two sections alone.

I am sure someone might be able to provide us with some reasons NASA is being required to make these deals, but nothing in this legislation before us suggests anything the least bit urgent about them.

Mr. President, should we be asked to swallow these land deals as part of legislation intended to give us a good jump-start at deficit reduction and to provide emergency funding for some urgent problems? I do not think we should. If there are sound reasons to make these land deals, then those who advocate these arrangements should be willing to subject them to the scrutiny of the regular appropriations or authorization bills. These provisions argue strongly for the reform that the Senator from Arizona and I have introduced and that was included in the line-item veto measure we passed.

Mr. President, by establishing a new point of order against adding these kinds of nonemergency measures to emergency appropriations bills and by prohibiting OMB from adjusting spending caps or otherwise relaxing the sequester process for emergency appropriations bills that include these extraneous measures, our proposal would limit the ability of some to circumvent the normal legislative process as I suggest may have occurred here. These provisions also argue for the line-item veto measure itself, and I very much hope we can make progress in moving that issue along as well.

I just want to reiterate any thanks to the Senator from Arizona and his staff for their continuing vigilance on these issues. There are tangible costs to that work, as anyone reviewing the list of projects that has been rescinded can divine, but in the end, Mr. President, the only way we will end these abuses is for Members to follow the lead of the Senator from Arizona and reject these special provisions even when it means rejecting a project for one's own State.

So I thank the Chair, and I yield the floor.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER (Mr. FRIST). Who yields time?

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Senator from Iowa be allowed 10 minutes.

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

Mr. GRASSLEY. I thank the Senator from Arizona for the 10 minutes.

Before I speak to the point that the Senator from Arizona brought up about the national swine center, I want to compliment everyone who worked on this rescissions bill which rescinds $16 billion of expenditures, moving us more quickly to a balanced budget than waiting until the beginning of fiscal year 1996 which starts October 1 of this year.

This gives us a 6-month head start on the efforts toward balancing the budget. Everybody, Republican and Democrat, involved in this process to bring forth this sort of change in the expenditures for our present fiscal year is to be complimented and to be considered fiscally responsible. I applaud them for that.

At the same time, I think it is irresponsible for the President to take the position he has when there was so much of an effort in the Senate to accommodate the White House in the first instance of the passage of this legislation.

I hope the President will change his mind, sign the bill and help move us on to a balanced budget much quicker than would otherwise happen.

My good friend from Arizona has raised a lot of issues, on this bill and on other bills, that raise the question about the wise expenditure of public moneys. I compliment him for doing that. He is a responsible watchdog of the taxpayers' money. There are not enough of those in this town.

One of the issues that he raised previously was on the National Swine Research Center located at Iowa State University, one of the major universities in my State. I want to speak to that point, because I think he raised some legitimate questions about it.

The first question raised was whether or not it was a conferenceable item—was it in one of the bills before it went to conference or was it amended in conference?

It was a conferenceable item. Under the rules of the House and Senate conference, it was something that could have legitimately been dealt with in the conference. It was not something that was added after the fact by the conferees in an effort to sneak something through.

The next question that was legitimately raised was why a swine research center and why at Iowa State University?

I suppose the latter one is the easiest to answer. It is there because our State is the leading pork producing State in the Nation. And some of the best scientists in animal husbandry are there, some of the best researchers. So you put a facility where outstanding people are located to do the research when you have a national goal to do research in a particular area.

The whole issue of swine research, the whole issue of agricultural research, is not questioned any more as a good public policy of our Government. It is something that has been promoted by the Federal Government going back to 1862. More specifically, in this century, a lot of legislation was passed that has the Federal Government, through the Agriculture Research Service, very much involved in agricultural research; not to benefit just the farmers, but to make sure that there is an adequate supply of food and high-quality food available for consumers.

Why do we have a National Swine Research Center? Well, there was careful consideration given to the formation of this. A long time ago, a national peer panel recommended the establishment of a Swine Research Center. They did it because the needed research was not being conducted in any other State or Federal laboratory nationwide. This peer review panel made very definite that this program of research not be duplicative and they made a determination it would not be duplicative. They did that through defining the mission, the mission of the research center. That mission is to develop technology to ensure that the U.S. pork industry operates as an environmentally sound and efficient animal production system.

In that particular statement from the U.S. Department of Agriculture, we ought to put emphasis upon environmentally sound as a lead purpose of the swine research center in Iowa as opposed to the other swine research centers that the Senator from Arizona mentioned in the question about why, when you have some, do you need others. We need a national swine research center because we have not had adequate research in that area and we need it.

The emphasis, of course, is on the environmental aspects. But also like other research centers, the environmental research and determinations have something to do with the efficiency of the animal production system.

The U.S. Department of Agriculture, through their directives on this particular National Swine Research Center, says that it will help maintain and increase the competitiveness and efficiency of U.S. pork production and marketing. These are national goals, as well. Agriculture is one of those areas of production in America where we are most efficient and where we are without a doubt competitive with any other country in the world.

The exports of our agriculture products give us a very positive, favorable trade balance in agriculture. Without that positive favorable balance in agriculture and in food products we would have yet a bigger deficit in our overall trade. So, a research center that is going to continue to keep us competitive has a very good overall economic benefit to our entire Nation, as we try to keep our trade deficit down.

Now this compromise before us allows the laboratory of the national swine center to be built at a cost of $12,678,000 by the Agriculture Research Service.

Mr. President, we have appropriated these funds in other fiscal years for this project, in fiscal year 1992, $1.8 million; fiscal year 1993, $1.5 million; fiscal year 1994, $4.5 million; and fiscal year 1995, $6.2 million.

Twelve million dollars completes the project. I am sure that the Senator from Arizona would not suggest that we should throw the work already done down the drain by not completing this project.

Now, the legitimate question is asked by the Senator from Arizona about why is this project given to Iowa State University.

The pork industry of the United States of America, probably the researchers involved, and Iowa State University, would rather not have this given to Iowa State University. Traditionally, this would continue to be a Federal facility with the operation costs paid, because it is a national research center in cooperation with the U.S. Department of Agriculture, fulfilling a national service.

A lot of those operational costs over the ensuing years would be paid for by the Federal taxpayers. But, it is one of the compromises, in order to go ahead and get this facility finished, that Iowa State University would assume the operational costs of the laboratory and any additional construction costs above that figure. The Agricultural Research Service, then, would turn the completed structure over to Iowa State University.

Where continually there would be an ongoing cost every year for decades into the future for the operation of this, the answer to the Senator from Arizona is it was given to Iowa State University so that the Federal taxpayers would not be saddled with the operation of it into the future.

Iowa State University, the National Pork Producers and even the Agriculture Research Service will work to make sure that there is no duplication of research other places, that there are efficiencies made elsewhere at the other facilities for swine research, and to make sure that we consolidate Federal swine research activities so there is no duplication.

This was a demand from the chairman, particularly on the House side, for us to meet, to satisfy the leaders on the other side of the Hill that this would not be an ongoing cost and this would be the end of it if they completed it. This was all a general agreement to get this activity completed. So it is completed.

I hope that I have satisfied the Senator from Arizona—without trying to discourage him from asking legitimate questions, which he has—that the completion of this is necessary so that the $12 million is not wasted and, in addition, that this will not be an ongoing cost to the taxpayers of the Federal Government. That it was only given in ownership to Iowa State University, not just because the Federal Government just gives away things willy-nilly, but because Iowa State University is accepting the cost of the operation not for only the short term but long term.

I hope that my colleagues see that as a good deal for the taxpayers, a good deal for agricultural research, a good deal for the pork industry, a good deal for our balance of trade, a good deal to assure an adequate supply of quality food to the consumers of America. All of these are good public policy; all of these have been followed in a lot of areas of agricultural research in the past, maybe even a lot of research generally that our National Government conducts.

So I ask my colleagues to consider these points of view and let this facility be completed once and for all.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I want to thank the Senator from Iowa for his very lucid and informative explanation. I regret we have to go through this kind of a drill. I think we could probably avoid it in the future under different circumstances of authorization and appropriations process.

I also thank my friend and colleague from Wisconsin, Senator FEINGOLD, for all he has done and all he will continue to do. I appreciate the opportunity of working with him on a bipartisan basis.

Mr. HARKIN. Mr. President, I regret that my friend, the senator from Arizona, has chosen once again to criticize funding for the National Swine Research Center. He attacks this conference report because it does not rescind funding for the center provided in previous measures.

Let us be clear that the rescissions bill passed by the Senate did not include any provisions pertaining to the National Swine Research Center. It was only in the measure passed by the House of Representatives that funding for the center would have been rescinded. So if the senator from Arizona is criticizing the Senate conferees for supporting the Senate's position and not receding to the House on this point, I believe his criticism is misplaced.

We debated funding for the center on the floor of the Senate earlier this year. My colleague from Iowa, Senator GRASSLEY, and I discussed the development of plans for the center, the need for the research that it will conduct and the justification for construction of this new facility.

The Agricultural Research Service has stated that the research at the Swine Research Center will not be duplicative of other research. There is no other facility now equipped to carry out the research that is planned for the Center. That research will emphasize odor and water quality research. The goal is to help the pork industry improve its competitiveness and efficiency in an environmentally sound manner.

This Center was peer reviewed. It has been identified by ARS as a high priority. It is a product of joint planning by ARS, the National Pork Producers Council, the Iowa Pork Producers and Iowa State University.

Because agricultural research is so important to our Nation, and because pork production is such a large part of our Nation's agricultural economy, I believe there is ample justification for using Federal funds to construct the National Swine Research Center and to support the operation of the center and its research in future years.

But the House conferees on this bill said that their leadership was adamant about not letting the plans for the Swine Research Center go forward as originally developed. I strongly disagreed with the position of the House conferees, and I worked with them to improve report language they had first recommended that would have been quite damaging to the future of the center. In the end the House conferees agreed that the $12.678 million which had been appropriated would not be rescinded, but they insisted on report language specifying that once the facility at Ames, Iowa is constructed it would be conveyed to Iowa State University and further stating that future costs of operating that facility at Ames are expected to be provided by sources other than the Federal Government. The language also states that Iowa State University should work in collaboration with the pork industry to cover research and additional construction costs associated with the center or to offset those costs through the consolidation of Federal research activities. Again, I strongly disagree with the report language insisted upon by the House conferees, but it was the best that could be obtained under the circumstances.

Mr. McCAIN. Mr. President, I believe I have about 7 minutes remaining. I yield the remainder of my time to the Senator from Rhode Island who has a statement to make.

Mr. CHAFEE. Mr. President, I thank the distinguished Senator from Arizona for letting me have some time at the final part of this evening.

It is with some reluctance that I will vote against the conference report on H.R. 1158, the pending rescissions bill. The report has much to commend it. It would provide needed disaster relief to Americans across the country who are still recovering from a series of tragedies, of course the principal one of those is in Oklahoma City.

In addition, the report would provide for more than $16 billion in savings to the Federal Treasury. Although I cannot say I agree with each of the places where the report would make these cuts, nonetheless it represents a really solid first step toward reversing the pattern of unconstrained Federal spending.

Mr. President, notwithstanding the benefits of the funding provisions of the report, it is the general policy provisions that are the ones that have led me to conclude I cannot support the report. As those who have read the report carefully will note, it is replete with measures that would override or revise substantially environmental laws in a variety of contexts. I am especially concerned about those relating to Federal timber sales and the National Environmental Policy Act of 1969, sometimes referred to as NEPA.

My concern with the bill's timber sales provisions have been evidenced ever since I voted against a motion to table a substitute amendment during

the floor debate on the Senate version of the bill. I recognize the need to address expeditiously risks arising from the poor health of certain public forests.

However, this provides no ground for throwing environmental considerations overboard. The conference report has only added to my concerns.

Why do I say this? First, the report retains so-called ''sufficiency language,'' with respect to salvage and option 9 timber sales. This language provides that an agency's compliance with certain minimal obligations in the carrying out of a sale is ''deemed sufficient'' to satisfy the requirements of all applicable statutes.

This language would disallow any meaningful site-specific challenge to a sale under the environmental laws, especially given that the report would also would eliminate administrative appeals of timber sale decisions.

In addition, Mr. President, another provision in the report expressly would revise the agencies' analytical obligations with respect to salvage timber sales. The provision in question would make the duty to consider environmental effects of salvage timber sales solely discretionary. I think this is an important point, Mr. President. Under the revisions that have been made in connection with this rescissions bill, the agency would make the duty to consider environmental effects of salvage timber sales to become discretionary; in other words, you do not have to do it.

This approach, I believe, is shortsighted and unwise. Conducting environmental analysis can be especially important in carrying out salvage sales because candidate sites usually have experienced significant disturbances. A salvage sale has arisen because there has been significant disturbances in the area—a tremendous hurricane or tornado, earthquake, or something as formidable as an explosion, the volcanic action of a mountain, as took place in the State of Washington about 15 to 18 years ago.

Such sites, therefore, are often especially sensitive to further disturbance caused by timber harvests.

Is this me talking or some expert? Well, let us see what the dean of the Duke University School of Environment, Norman Christensen, said in March 23 of 1995, just 2 months ago, in a letter to Appropriations Committee Chairman HATFIELD. He explained the possible serious adverse effects of poorly carried out salvage sales.

This is what he said:

> Improperly used, however, [salvage and thinning] can cause serious, long-lasting damage to resources including soils, streams, wildlife, fish and residual trees. The timing and manner of their application requires at least as careful analysis and monitoring as other types of logging.

In other words, there is not something unique about salvage sales, winds fall and timber; you can just go in and take it away.

> Done poorly, the productivity and biological integrity of public forests may be permanently compromised.

And finally, Mr. President, environmental effects of sales encompassed by the report could be substantial, particularly in light of two factors: No. 1, the conferees extended by a full year the period during which sufficiency language would apply. This extension would nearly double the sufficiency period that was in the Senate bill.

We passed a bill at a certain length of time. They doubled it in the conference, and this could translate into an additional 2 billion to 4 billion board feet of timber being harvested with minimal environmental analysis. This is not a case of rushing in and picking up some timber that has just fallen down in a certain area. This is big activity.

No. 2, while numerical timber volume targets have been removed from the bill, the managers' statement includes a so-called ''volume requirements.'' This is a classic example of trying to have it both ways. The managers' volume numbers exceed by far what agriculture Secretary Glickman has said the Forest Service can achieve while meeting substantial requirements of applicable law.

Mr. President, I have concerns over what is done to the National Environmental Policy Act, so-called NEPA. But, Mr. President, in this late period in the evening, I am not going to debate the merits of the report's NEPA provisions as much as to highlight that there has not been real debate on them at all. These actions take place in the Appropriations Committee, and I do not think the Congress should be in the routine of using appropriations bills to bypass or bar compliance with environmental statutes in ways that will have significant environmental effects. This is an improper practice that must cease. For me, that means now with this report.

I want to thank the Chair and yield back the remainder of my time.

Mr. GRAMM. Mr. President, I rise today in support of the conference report to accompany H.R. 1158, the Emergency Supplemental and Rescission Act. I am proud of the fact that my colleagues and I on the House and Senate Appropriations Committees have cut more spending in this bill than in any rescission bill in the history of this country. I want to compliment Chairman HATFIELD and Chairman LIVINGSTON for their leadership on this legislation.

The bill cuts $16.4 billion in spending and provides supplemental funding for disaster relief and increased anti-terrorism funding to respond to the Oklahoma City bombing. I, for one, am outraged that President Clinton announced last Wednesday that he intends to veto this rescission bill. The President should sign the rescission bill and join our efforts to put the Federal Government on a budget like everybody else. When President Clinton vetoes a $16 billion cut in Government spending to protect a few pet programs, he is putting the interests of his administration and his part in front of the interests of the people of America.

I would like to comment briefly on the supplemental funding provided for the FBI and the Justice Department in the Commerce, Justice, State section of the bill. The President requested $71 million for the Justice Department's response to the Oklahoma City bombing and to enhance Federal law enforcement's ability to respond to domestic terrorism. The conferees were concerned that, in many cases, the President's request failed to provide the true, full-year cost of hiring additional FBI and other Justice Department personnel, since the President assumes that many of these new personnel will be hired late in the fiscal year.

As a strong supporter of federal law enforcement, I wanted to ensure that the FBI and the Justice Department have the resources they need to prosecute and convict the violent criminals who committed the Oklahoma City bombing. I also wanted to begin the process of strengthening Federal law enforcement so that we can do everything possible to prevent anything like this terrible crime from ever happening again.

To accomplish these goals, the conferees have provided $113 million for the Justice Department, including $90 million for the FBI, and an additional $16.6 million for increased security at Federal courthouses. These amounts are within the parameters set for this bill by the full committee chairmen, and I intend to provide additional resources for these purposes when I present my recommendations for the fiscal year 1996 Justice Department appropriation.

I am dismayed that, in many cases, the additional resources requested by the President to respond to the Oklahoma City bombing are for items previously requested by the FBI and the Justice Department in their regular budget requests, but previously rejected by the Clinton White House.

Under the Clinton administration, the FBI endured a nearly 2-year hiring freeze, while normal attrition reduced the number of special agents by 765. The FBI crime laboratory has been forced to curtail the services it provides State and local law enforcement agencies due to budget constraints. As chairman of the Appropriations Subcommittee that funds the FBI, I am committed to reversing this trend, and I am confident that these efforts will have the strong support of the American people and the vast majority of the Senate.

Finally, I am proud that the conference agreement on the Commerce, Justice, State section of the bill includes more new spending reductions than either of the House- or Senate-passed bills. The budget resolution currently under consideration in the Congress will build on the good work of

this rescission bill and ultimately lead us to the first balanced Federal budget since 1969. When we complete our work on these measures, we will have fulfilled the promise Republicans made to the American people last November, to put the Federal Government on a budget, to say not to more Federal spending, and to allow more families to say yes to their own spending priorities for their own children.

NATIONAL KOREAN WAR VETERANS ARMISTICE DAY

Mr. WARNER. Mr. President, included in H.R. 1158 is language that will designate July 27 of each year, from 1995 until 2003, the 50th anniversary of the end of active conflict in the Korean war, as National Korean War Veterans Armistic Day. This important designation could not have been achieved without the assistance of my good friend and colleague, the senior Senator from Alaska, Senator STEVENS. I would also like to point out that our initiative to put this language in H.R. 1158 is a one-time exception due to the timeliness of the matter—the Korean War Veterans' Memorial will be dedicated this July.

Mr. STEVENS. Mr. President, I join with my distinguished colleague, the senior Senator from Virginia, in this proposal to formally honor those brave Americans who fought in the Korean war. This is an initiative which is both important and necessary.

On June 25, 1950, without warning, armed forces of the People's Democratic Republic of Korea invaded their neighbors to the south, the Republic of Korea, initiating the Korean war. Shortly thereafter, at the request of the President of the Republic of Korea, President Harry S Truman directed American forces to enter into the war. The American involvement was spearheaded by the Army's Task Force Smith.

Subsequently, a U.N. command was created which, by the end of active combat, had incorporated military units from 21 member nations, under U.S. leadership, in the struggle. The fighting continued, with American forces bearing the brunt of the action, until July 27, 1953, when a cease-fire agreement ended active combat.

Mr. WARNER. Under the command of General of the Army Douglas MacArthur and, later, Gen. Matthew B. Ridgeway, U.N. forces repelled the invasion and restored the integrity of the Republic of Korea along with the freedom and independence of the South Korean people. During 3 years of active hostilities, our Armed Forces, enduring the rigors of combat in the extremes of a hostile climate and the most trying of conditions, engaged in some of the most significant battles in our Nation's history. Those battles included the Inchon landings, the Pusan Perimeter breakout, and the battle of the Chosin Reservoir.

Over 5.7 million American service people were involved directly or indirectly in the war. Of those, 54,246 died; 33,629 of whom died in battle. An additional 103,284 were wounded and 8,177 were listed as missing or prisoners of war. There are 329 American prisoners of war still unaccounted for.

Mr. STEVENS. Unfortunately, the Korean war has come to be known as America's forgotten war, and our veterans from that era deserve the recognition they earned through their valor and sacrifices. The following Senators served in that war: my friend JOHN WARNER, as well as BEN NIGHTHORSE CAMPBELL, JOHN CHAFEE, JOHN GLENN, and ARLEN SPECTER.

Mr. President, for that reason, the distinguished senior Senator from Virginia and I proposed establishing a National Korean War Armistice Day. We believe that this Nation should never forget the service rendered, and the sacrifices made, by those brave Americans who fought, and in particular those who died, in the Korean war.

Mr. WARNER. The distinguished senior Senator from Alaska and I are also pleased that, as a result of congressional and Presidential authorizations, the Korean War Veterans Memorial will be built, in Washington, DC, to recognize and honor the service and sacrifice of those Americans who participated in the Korean war. By establishing July 27 as National Korean War Veterans Armistice Day, we will build upon and enhance that long-due recognition for Korean war veterans.

Mr. KENNEDY. Mr. President, I rise to speak against the conference report that is before us this evening. Six weeks ago, we spent nearly a week here on the Senate floor debating the merits of cutting funding for education. Many believed that the rescission bill made too many cuts in important education and training and children's programs that benefit working families and children.

After many days of debate, the Senate reached an agreement that rearranged the Senate's priorities and restored funding for children and for education. Under the leadership of Majority Leader DOLE and Minority Leader DASCHLE, the children and education cuts were limited to $400 million. In the end, the Senate took a strong position in support of students and children, a position that we expected would be held in conference.

Head Start, WIC, Safe and Drug Free Schools, Title I, Goals 2000, School to Work, Immigrant Education, Trio, and National Service all received important infusions of funding that made the final Senate package—with $405 million in education cuts—stand in stark contrast to the House package, with $1.6 billion in education cuts. The Senate's intention on education could have not been more clear.

Two weeks later, 34 Senators, Republican and Democrat, reaffirmed that position, and sent a letter to Senator HATFIELD explaining why the Senate had made the changes, and asking that ''We strongly urge you to support students and education and the Senate level of education rescissions.'' I ask unanimous consent that this letter be entered into the RECORD.

Despite an unmistakably clear message to the conferees, the conference agreement has now come back with $950 million in cuts to education programs and we are being asked once again to cut education.

I don't think I need to repeat again the effect of these harsh rescissions—reduction or elimination of violence and drug prevention programs for 39 million students; elimination of school reform grants to 4,000 schools; reduction in reading and math assistance for 135,000 at-risk children; elimination of a promising start on technology in schools—all of this and more will be gone if the conference report is adopted and the President signs the bill.

One point cannot be overemphasized—schools across the country are counting on these funds. States have already been notified of the amounts they will receive in July. If these rescissions go through, children will be dropped from services, teachers will be laid off, computer orders will be canceled.

I think the record of the U.S. Senate on education rescissions is clear. I urge my colleagues to reject this report, and to vote to sustain a veto if President Clinton vetoes this bill, which I believe he should and will.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I ask unanimous consent to speak as in morning business for 5 minutes.

Mr. COCHRAN. Mr. President, reserving the right to object, we have an order for the disposition of debate under the rescissions supplemental appropriations bill. I wonder if the Senator will permit us to complete that action, and then there will be a period for morning business set aside for the Senator to speak.

Mr. FEINGOLD. How much time remains?

Mr. COCHRAN. Only 3 minutes remain with this Senator. I am advised the Senator from West Virginia has 8 minutes, and he authorized us to yield back that time. So the Senator can speak very quickly. We will be in morning business very soon.

Mr. FEINGOLD. Very well.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield myself the remainder of the time under the order.

Mr. President, the Senators from Wisconsin and Arizona complain about two provisions in this conference report dealing with NASA. They are administrative provisions, and they are clearly and fully explained in the committee report on pages 132 and 133.

Let me add to the Clear Lake development facility issue by saying that the authority to enter into this transaction was previously passed by the

Senate last year on the NASA authorization bill on October 5.

This purchase saves taxpayers' funds and makes needed facilities available to NASA on a timely basis. It was considered carefully by the Senate conferees and was found to be not only in the public interest but in the interests of the Federal Government. That is why it was included and approved.

Insofar as the Yellow Creek Facility in Mississippi is concerned, time does not permit a long narrative to expand on the provisions of this conference report itself, describing the history of this facility.

Let me just quickly say from my own personal recollection, the Federal Government came into this northeast corner of Mississippi, condemned property to build a huge nuclear facility for TVA. Halfway through the construction phase, after everybody had been stressed and strained in terms of accommodating the Federal Government's interest or this agency's interest, they canceled the facility, putting a lot of people out of work who had moved to the area who helped build the facility, and finally NASA decided they would take the land.

Transfers were authorized by Congress for NASA to build an advanced solid rocket motor facility on the property. People moved into the area—scientists, technicians and all the rest—schools were built, roads were built, infrastructure developed, by the State, by local governments, taxes were raised, to help pay for this Federal facility and accommodate the interests of the Federal Government.

Patriotism was rampant because of the new pride in that part of the State to do something for our Federal Government and our space program. NASA abandoned ASRM when the House voted it down one night and canceled all the authority for the funds. Then they worked out a program to have a nozzle facility built to take the place of this other facility. Now it has been canceled, just recently.

Finally, they say in Mississippi, ''Look, get the Federal Government out of here. Let the State government try to do something that is predictable that makes sense.'' This is after $100 million had been invested by local and State interests, local taxpayers. People have lost money building housing in this area, doing things in anticipation of the result that would come from these Federal Government activities.

Now, finally, we are just saying in this provision, this is an emergency supplemental bill, too, not just a rescission bill. It provides funds for disaster assistance, to disaster victims. I challenge anybody to find anyone who has been victimized any more than the people of this part of the State of Mississippi by actions of the Federal Government. This provision has been requested by NASA, it was considered carefully by conferees on both sides. It is included here, because it is in the public interest. There ought to be more included here to deal with the victims of that disaster.

I will not belabor it. I congratulate the Senator from Iowa for his comments about the facility. They complain about being in the bill, in the conference report now. We defended the position of the Senate. The Senate authorized this to continue to be a Federal Agriculture Research Service facility. We had to compromise with the House.

The Senator, complaining that we should not have compromised, I suppose. It does not make logical sense to me to complain about the actions of the conferees who were bound to defend the position of the Senate. The Senate entertained an amendment of the Senator from Arizona and voted it down.

We are obligated to take up for the Senate and we did. But we had to compromise with the House and we worked it out, and the Senator fully described the result.

I am proud of the work our conferees did. We worked hard and brought back a conference agreement that I hope the Senate will approve when we vote on it tomorrow morning.

Mr. President, the fiscal year 1995 Agriculture, Rural Development and Related Agencies Appropriations Act provided $297 million in cost-of-money lending authority for telephone loans of the Rural Utilities Service, formerly the Rural Electrification Administration, at a subsidy cost of $60,000. There is a 7-percent interest rate cap in that program, and when rates exceeded that amount at the beginning of the fiscal year, the cost-of-money program was substantially curtailed because of inadequate subsidy. Because of the cap, when long-term Treasury rates exceed 7 percent, the interest rates on individual loans require a subsidy. The $60,000 subsidy was appropriated to satisfy the loan loss reserve requirement of the Treasury Department, not to subsidize interest rates.

The conference report accompany H.R. 1158, incorporates a provision included in the Senate-passed bill which removes the interest rate cap for fiscal year 1995 in this program. This action will allow the Rural Utilities Service to utilize the entire $297 million in loan authority provided for this program. It is my understanding that the Rural Utilities Service has already approved seven loans during this fiscal year, totalling $3.2 million. However, none of the funds on these loans have been drawn down by the borrowers. Since interest rates on these loans are fixed at the time of draw down, not at the time of approval, there will be no interest rate subsidy associated with these loans upon enactment of H.R. 1158.

Fortunately, the long-term Treasury rate is now around 7 percent again, rather than almost 8 percent that existed early in October. This means that borrowers will receive a reasonable rate of interest at no cost to the Treasury for any loan in this program approved during fiscal year 1995. However, if interest rates do rise, the program will still continue at the authorized levels, without an interest rate subsidy, as Congress intended.

Mr. DOMENICI. Mr. President, I rise in support of the conference agreement accompanying H.R. 1158, the second supplemental appropriations and rescissions bill for fiscal year 1995.

I commend the distinguished chairman of the Appropriations Committee for his efforts to complete congressional action on this bill. I regret that after significant work, the President now states that he will veto the final bill.

Such action will even further delay the provision of emergency disaster assistance requested by the President for California and 40 other States that have experienced natural disasters.

Such action will delay the availability of funding to pursue the investigation of the tragic Oklahoma City bombing.

Such action will delay the provision of funding requested by the President to fund a new counterterrorism initiative.

The funding in this bill to respond to these requests by the President totals $6.95 billion.

These emergency funds include disaster aid of $3.35 billion to be available for the remainder of fiscal year 1995, and $3.35 billion as a contingency appropriation, which can be obligated by the President beginning in fiscal year 1996 with specific notification of the Congress.

The bill includes rescissions totaling $15.4 billion in budget authority and $0.4 billion in outlay savings for fiscal year 1995 to provide deficit reduction as the Congress seeks to move toward a balanced Federal budget.

I urge my colleagues to support the bill. It will put a downpayment on the significant deficit reduction that will be required to balance the budget, and begin to alleviate the burden of debt we are leaving to our children and future generations.

Now is the time for Congress to embark on a serious journey to get its fiscal house in order. This bill is but a first step on what will be a long and difficult, but necessary, journey.

I urge the adoption of the bill.

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point two tables showing the relationship of this bill to the section 602 allocations of the Appropriations Committee and to the current level which displays congressional action to date for fiscal year 1995.

H.R. 1158, EMERGENCY SUPPLEMENTAL AND RESCISSIONS CONFERENCE

[FY 1995, in millions of dollars, CBO scoring]

Subcommittee		Current status [1]	H.R. 1158 [2]	Subcommittee total	Senate 602(b) allocation	Total comp to allocation
Agriculture—RD	BA	58,117	−82	58,035	58,118	−83
	OT	50,330	−30	50,300	50,330	−30
Commerce-Justice [3]	BA	26,693	−291	26,402	26,903	−501
	OT	25,387	−99	25,288	25,429	−141
Defense	BA	241,008		241,008	243,630	−2,622
	OT	249,560		249,560	250,713	−1,153
District of Columbia	BA	712		712	720	−8
	OT	714		714	722	−8
Energy-Water	BA	20,293	−234	20,059	20,493	−434
	OT	20,784	−52	20,732	20,749	−17
Foreign Operations	BA	13,537	117	13,654	13,830	−176
	OT	13,762	241	14,003	14,005	−2
Interior	BA	13,577	−282	13,295	13,582	−287
	OT	13,968	−79	13,889	13,970	−81
Labor-HHS [4]	BA	265,870	−2,883	262,987	266,170	−3,183
	OT	265,718	−252	265,465	265,731	−266
Legislative Branch	BA	2,459	−16	2,443	2,460	−17
	OT	2,472	−12	2,460	2,472	−12
Military Construction	BA	8,735		8,735	8,837	−102
	OT	8,519		8,519	8,519	−0
Transportation	BA	14,193	−2,624	11,568	14,275	−2,707
	OT	37,085	−22	37,063	37,072	−9
Treasury-Postal [5]	BA	23,589	−588	23,001	23,757	−756
	OT	24,221	−39	24,182	24,225	−43
VA–HUD	BA	89,891	−8,495	81,396	90,257	−8,861
	OT	92,438	−112	92,326	92,439	−113
Reserve	BA				2,311	−2,311
	OT				1	−1
Total appropriations [6]	BA	778,674	−15,378	763,296	785,343	−22,047
	OT	804,957	−457	804,501	806,377	−1,876

[1] In accordance with the Budget Enforcement Act, these totals do not include $3,905 million in budget authority and $7,442 million in outlays in funding for emergencies that have been designated as such by the President and the Congress, and $841 million in budget authority and $917 million in outlays for emergencies that would be available only upon an official budget request from the President designating the entire amount as an emergency requirement.

[2] In accordance with the Budget Enforcement Act, these totals do not include $3,491 million in budget authority and $441 million in outlays in funding for emergencies that have been designated as such by the President and/or the Congress.

[3] Of the amounts remaining under the Commerce-Justice Subcommittee's 602(b) allocation, $22.1 million in budget authority and $1.6 million in outlays is available only for appropriations from the Violent Crime Reduction Trust Fund.

[4] Of the amounts remaining under the Labor-HHS Subcommittee's 602(b) allocation, $45.4 million in budget authority and $8.2 million in outlays is available only for appropriations from the Violent Crime Reduction Trust Fund.

[5] Of the amounts remaining under the Treasury-Postal Subcommittee's 602(b) allocation, $1.3 million in budget authority and $0.1 million in outlays is available only for appropriations from the Violent Crime Reduction Trust Fund.

[6] Of the amounts remaining under the Appropriations Committee's 602(a) allocation, $68.8 million in budget authority and $9.9 million in outlays is available only for appropriations from the Violent Crime Reduction Trust Fund.

Note: Details may not add to totals due to rounding.

FY 1995 CURRENT LEVEL—H.R. 1158, EMERGENCY SUPPLEMENTAL AND RESCISSIONS BILL

[In billions of dollars]

	Budget authority	Outlays
Current level (as of May 5, 1995) [2]	1,233.1	1,216.2
H.R. 1158, emergency supplemental and rescissions, conference agreement [3]	−15.4	−0.4
Adjustment to conform mandatory items with budget resolution assumptions	([1])	([1])
Total current level	1,217.7	1,215.7
Revised on-budget aggregates [4]	1,238.7	1,217.6
Amount over (+)/under (−) budget aggregates	−21.0	−1.9

[1] Less than $50 million.

[2] In accordance with the Budget Enforcement Act, the total does not include $3,905 million in budget authority and $7,442 million in outlays in funding for emergencies that have been designated as such by the President and the Congress, and $841 million in budget authority and $917 million in outlays for emergencies that would be available only upon an official budget request from the President designating the entire amount requested as an emergency requirement.

[3] In accordance with the Budget Enforcement Act, these totals do not include $3,491 million in budget authority and $441 million in outlays in funding for emergencies that have been designated as such by the President and the Congress in this bill.

[4] Reflects revised allocation under section 9(g) of House Concurrent Resolution 64 for the Deficit-Neutral reserve fund.

Note: Details may not add to totals due to rounding.

Mr. BOND. The President recently announced his intention to veto the rescission bill recently agreed to by the joint House-Senate conference committee. In part, he decried the agreement on the basis of the rescissions proposed for HUD. This is outrageous. This President wants to take a mouthfull of popular political rhetoric on budget constraint and responsibility, but still can't bring himself to inhale. You can't stop spending until you halt the growth in programs which generate it. This stuff may be hard to swallow, but unless we get beyond the political posturing, our Nation and our economy will gag on the unpaid bills of our irresponsibility.

Some have questioned why HUD is being cut more than $6.3 billion, nearly three-quarters of a total rescission of $8.5 billion for the Subcommittee. The answer is simple: The cut is roughly proportionate to that Department's available budgetary resources. Although HUD received new appropriations for fiscal year 1995 of $25.7 billion, about 39 percent of the funding for our four major agencies, it also carried into this fiscal year $35.2 billion in unobligated prior year balances. In other words, it more than doubled its total available budgetary resources with this massive influx of unspent, unobligated funding.

We must cut HUD, and we must begin now if there is to be any hope of surviving the very constrained ''freeze-minus'' future for discretionary spending reflected in both the House and Senate reported budget resolutions. The Congressional Budget Office analysis of the cost of the President's original budget submission for subsidized housing demonstrated a 50% expenditure increase over the next five years. Unless we act now to curb the spiraling growth in outlays, we will have to make truly draconian cuts in the near future.

The solution is simple: Turn-off the pipeline of new subsidized units. That is the fundamental focus of the rescission bill. We have also restored cuts proposed by the House in CDBG, modernization, and operating subsidies, and redirected available resources toward another urgent aspect of restoring budgetary sanity to this out of control Department: demolish the failed housing developments, and put the rest on a sound footing to survive the competition and subsidy reductions coming down the pike.

Amid all the debate over the future of HUD, it's important to keep in mind that over 4.8 million families receive Federal housing assistance, and over half of them are elderly or disabled. It's also important to note that such housing assistance is expensive, as I said $26 billion in fiscal year 1995 outlays, and current costs are rising. In fact with the long-term contractual commitments previously made by HUD, the Government is currently obligated to pay over $187 billion over the life of these contracts, some stretching out 40 years.

Given the long-term nature of these obligations and commitments, halting

the budgetary growth of the Department can only be accomplished with a focused, determined, multi-year effort. Unless we begin now, with this bill, we will lock ourselves into another multi-billion dollar chunk of long-term budget obligations. And this is only a first step, one of many in which we will go beyond the limited fixes and cuts that can be accomplished in a rescission bill. We must enact major reform legislation later this year, but this is a good, and very necessary beginning.

The program reforms and initial reductions contained in the rescission bill are desperately needed to avoid a budgetary train wreck with the Department of Housing and Urban Development.

The President has criticized a number of specific actions contained in the conference agreement. Frankly, there are a number of recommendations in the conference report which are troubling to me. But this bill is a compromise with the House-passed measure which contained much larger rescissions, and I believe the agreement goes a long way towards minimizing adverse program impacts while increasing our contributions to deficit reduction.

For example, the rescission agreed to for National Service was increased to $210 million from the $105 million Senate-passed level. While many of us are dubious of the whole premise of paying people to become ''volunteers,'' regardless of their financial resources, and we have heard of instances where excessive payments have been made, the conferees decided to maintain this program at the pre-existing funding level established for fiscal year 1994. I might add that the rescission is half the House-passed rescission of $416 million.

The President's statement also says we cut funding for housing AIDS victims. While a $30 million rescission was approved, it is only a small fraction of $186 million included in the House bill. Moreover, the rescission simply provides the identical funding level requested by the President for this fiscal year! Since the President didn't request this appropriation in the first place, it is at least ironic that he should now protest its rescission.

The conference agreement includes the full $6.7 billion requested by the President for the disaster relief fund. This will enable FEMA to respond to needs in California resulting from the Northridge earthquake and disasters in other states.

Mr. President, I would also note that citizens of my own State are enduring yet another flood on the Missouri River. Thankfully, this flood does not compare to the devastation wrought by the Midwest Flood of 1993, but a number of communities still have suffered significant damage, and thousands of families have been dislocated. Missouri's governor already has stated that he anticipates a formal request for assistance within days, and that need has been echoed by the many local officials who have contacted my offices in recent weeks.

Yet FEMA tells me that they will only be able to respond for a few more weeks without additional funding. Where will that leave the victims of the latest flooding in the Midwest when the President chooses politics over people?

Mr. President, I would also note that the conference agreement contains $5 million requested by this the Administration to enable FEMA to initiate flood mitigation activities authorized by the National Flood Insurance Reform Act of 1994. So this bill not only provides the resources to help flood victims recover from these disasters, but we are also taking steps to help avoid such flood damage in the future.

With appropriations contained in this bill, FEMA will also be able to meet all needs arising as a result of the terrorist attack in Oklahoma City. I am pleased that the conference agreement includes $7 million for FEMA to train and plan for any future terrorist incidents, and to beef up security in several locations. We commend FEMA for its compassionate, timely and professional response to the Oklahoma City attack. FEMA has earned the confidence and respect of the American people, and has come a long way under the leadership of James Lee Witt.

The conferees agreed to rescind $81 million from the Department of Veterans Affairs, including $50 million from excess personnel costs and $31 million from excess project reserves. This rescission will not impact VA's ability to provide patient care in any way. The rescission to personnel costs does not affect staffing. Simply, VA's budget included $50 million more than they now estimate they need to pay salaries. Despite the erroneous assertion in the President's statement, no funding is being rescinded for medical equipment needs of VA hospitals and clinics.

In terms of the construction account, funds are rescinded from projects which are costing less than what was originally appropriated. Rescinding the funds ensures VA carefully manages its construction budget.

The conferees rescinded a total of $1.5 billion from EPA. Of the total, $1.3 billion is rescinded from the drinking water state revolving fund. Because this program has not been authorized, EPA has been unable to obligate the funds. While I support the need for this program, until it is authorized no funds may be spent.

Within the Superfund program, $100 million is rescinded. Because EPA fails to obligate on average $100 million in Superfund appropriations each year, this rescission is not expected to have a dramatic effect on program activities. On the other hand, it is intended to slow program spending pending enactment of major reform legislation which will likely change the scope and nature of clean-up activities previously planned.

Although the total rescission for EPA is slightly greater than the total rescission contained in either the House or Senate versions, the conference agreement is entirely within the scope of the differences between the Houses for each budget account of the agency. No new or extraneous items were rescinded.

The conference agreement contains a number of legislative provisions impacting EPA programs. Provisions impacting EPA's automobile inspection and maintenance program are intended to ensure EPA is flexible in reviewing states' plans for I/M programs and considers assigning additional credits for effective decentralized programs.

Two provisions contained in the Senate-passed version of the bill have been retained: first, a moratorium on new Superfund site listings for the balance of this fiscal year, unless requested by the governor or unless reauthorization legislation is enacted, and second, a prohibition on EPA from enforcing vehicular trip reduction programs were agreed to in conference.

Finally, the White House has indicated that it seeks to restore $14 million for the $88 million rescission for the yet to be established Community Development Financial Institutions program. This is despite the fact that the conference agreement adopted the funding level contained in the Daschle democratic leadership compromise amendment.

Mr. President, the conference agreement on this supplemental and rescission package is a good one. Rescissions for programs under the jurisdiction of the VA, HUD, and Independent Agencies Subcommittee total $8.5 billion. The contribution towards deficit reduction is $1.6 billion more than the level originally passed by the Senate, but is $800 million less than that passed by the House. It is a compromise, but one which fairly balances the differing priorities of the two Houses and still maintains funding for critical activities.

Mr. President, I hope the White House reconsiders its ill-advised initial reaction to this bill. If this bill is vetoed, it will mean further delays which may disrupt timely delivery of assistance to disaster victims in 41 States, including my own, as well as the Federal response in Oklahoma City. Perhaps equally important, delay also means that Federal agencies will obligate even more of the funds we have identified for rescission, making the task of saving money in low priority programs even more difficult.

The stated objections of the White House to this emergency supplemental and rescission bill are nothing more than spurious. And the matters that they have demanded be changed can only be described as a grab-bag of politically appealing items, which aren't needed, or couldn't be effectively utilized, or simply increase current spending when we all know that spending must be reduced to get our budget back in balance.

Mr. President, this is a responsible bill. It cuts funding and contributes to deficit reduction. It provides emergency funding which is urgently needed to assist victims of disasters. It makes long overdue reforms and corrections in programs which need fixing. And this bill needs to be enacted without further delay. I urge the White House to set politics aside, and begin working with us to make this conference agreement law.

INSPECTION AND MAINTENANCE PROGRAM

Mr. CHAFEE. Mr. President, I would ask the Senator from Missouri three questions about the provisions in this bill on the auto emissions inspection and maintenance program required by the Clean Air Act. The bill would prevent EPA from apply an automatic 50 percent discount in emissions credits for State programs that included test-and-repair, as opposed to test-only, stations. It is my understanding that the bill requires EPA to examine each program a State has submitted and assign the appropriate emissions credits. Based on various features of a State's program, EPA might assign emissions credits equal to 100 percent of a test-only program. Or EPA might find the appropriate credit is only 75 percent or 25 percent, depending on how a State program is structured. Is that a correct reading of the bill?

Mr. BOND. The Senator is correct. EPA is to examine the entirety of each State inspection and maintenance program and is to assign the appropriate emissions credits based on the actual program the State submits. No automatic discounting factors should apply and the determination of the appropriate emissions credits should be based on good science and engineering analysis.

Mr. CHAFEE. The report language accompanying this bill indicates that EPA may give a State up to 2 years to make a demonstration that justifies the credits it is seeking. Is EPA required to grant a 2-year demonstration period to every State that requests it?

Mr. BOND. No. The 2-year period to demonstrate the effectiveness of a State program may be granted by EPA, if the Agency believes it to be reasonable. This allows the Agency to implement the inspection and maintenance requirements in a more flexible way. But unreasonable proposals that surely would not merit the emissions credits claimed need not be granted a 2-year demonstration period. It is not an automatic extension for any and all inspection and maintenance programs that may be submitted by the States.

Mr. CHAFEE. Finally, I would ask whether this provision affects any other aspect of the plan submissions and attainment demonstrations that States are to make under the Clean Air Act?

Mr. BOND. No. The sole purpose of this language is to prevent EPA from requiring States to adopt enhanced inspection and maintenance programs based on the I/M240, test-only model and to prevent EPA from automatically discounting programs that use test-and-repair stations by a factor of 50 percent. The language has no other effect on State obligations under the Clean Air Act.

Mr. COCHRAN. Mr. President, I ask first of all to yield back the balance of time under the order of the Senator from West Virginia.

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

Mr. COCHRAN. Does that conclude the authority under the conference report, under the order previously entered?

The PRESIDING OFFICER. There are still 6 minutes for the Senator from Minnesota, Mr. WELLSTONE.

Mr. FEINGOLD. Mr. President, I yield the time back on behalf of the Senator from Minnesota.

MORNING BUSINESS

Mr. COCHRAN. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 5 minutes each.

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

TRIBUTE TO LES ASPIN

Mr. FEINGOLD. Mr. President, I knew Les Aspin for 25 years. In 1970, I was a junior in high school in Janesville, WI, when I signed up as a volunteer on Les' first campaign for the First Congressional District seat in Wisconsin. He won that election after a tough recount in the primary, defeated the incumbent Congressman.

I then interned in his Janesville, WI, Post Office basement office in 1971 and in 1972 during the summers. During the next quarter century, we had a continuing friendship, as he carved out a distinguished career in the United States House of Representatives, eventually rising to become the chairman of the Armed Services Committee while I prepared for and began my own career.

By temperament and training, Les Aspin was a man who listened to ideas and demanded facts. His mind was trained at some of the best educational institutions in the world: Yale, Oxford, and MIT.

Sometimes the conclusions he reached after thoroughly probing a problem were not welcomed by all who heard them, but they were always the product of a rigorous and honest intellectual process. Les Aspin enjoyed the successes and endured the setbacks common to all Members who choose a career in public service.

His service was marked by unflagging dedication. I believe he always did what he thought was right and he always did his best.

One thing was readily apparent. He came from our strong Wisconsin reformist tradition. He was long an opponent of waste and fraud and abuse in Government, including but certainly not limited, to the military.

He fought against junk telephone calls as well as junkets. He unearthed cost overruns in big-ticket weapons projects, punched holes in corporate propaganda campaigns, and dragged some highly questionable foreign business practices out into the spotlight.

He also criticized the insular environment that enveloped the Defense Department and the defense industry that fostered the waste of taxpayers' money.

Along the way, Les Aspin became recognized as one of the Congress' leading experts on military policy. I would say one of the leading experts of any time in the history of our Congress.

Les Aspin served his country diligently in many capacities. As an Army captain, he worked as an analyst in the Pentagon; he served on the staff of President John Kennedy's Council of Economic Advisors; he represented Wisconsinites for 22 years in Congress; he enthusiastically took on the giant task of steering the Defense Department into the uncharted waters of the post-cold war era.

When Les Aspin suffered his fatal stroke, he was chairing the President's Foreign Intelligence Advisory Board, working with his friend and colleague, CIA director John Deutch, on needed reforms in our intelligence communities.

Mr. President, Les Aspin was a man I deeply respected and admired. As I look back at the fact that my own entry into politics began in his first campaign for office in 1970, I feel a profound sense of loss at his passing. He was a good friend and a dedicated public servant. Far too soon we have lost an exceptional human being.

I thank the Chair. I yield the floor.

WAS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID YES

Mr. HELMS. Mr. President, before turning to today's bad news and it is terrible about the Federal debt, let us go through our pop quiz routine once more. You remember—one question, one answer:

Question: How many million dollars in $1 trillion? While you are arriving at an answer, let us acknowledge that it was the U.S. Congress that ran up the Federal debt that now exceeds $4.8 trillion.

To be exact, as of the close of business yesterday, Tuesday, May 23, the Federal debt—down to the penny—stood at $4,885,334,984,188.51, meaning that every man, woman, and child in America now owes $18,544.81 computed on a per capita basis.

Mr. President, how many million in a trillion? There are a million million in a trillion, and the Federal debt now exceeds four million million, 885 billion dollars. Get the picture?

THE SERVICE OF DR. DUANE MEYER

Mr. ASHCROFT. Mr. President, today I would like to congratulate a Missourian who has dedicated his life to helping students pursue the knowledge and gifts of higher education. He is retiring after 40 years of service to Southwest Missouri State University, located in my hometown of Springfield, MO. Duane G. Meyer has spent his entire postgraduate teaching career at Southwest Missouri State University, serving as a teacher for 18 years and an administrator for 22 years, including service from 1971–83 as the sixth president of Southwest Missouri State.

Dr. Meyer was born on June 29, 1926, in Carroll, IA, and earned a bachelor's degree from the University of Dubuque in Dubuque, IA. He went on to earn a master's degree and a Ph.D. from the University of Iowa. In 1955, Dr. Meyer arrived in Springfield to begin his career as an assistant professor and later professor of history. In 1961, he was appointed dean of faculties, a post he held until 1971. During that time, Dr. Meyer served as acting president of the university twice, in 1964 and 1970.

In 1971, Duane Meyer was selected to be the sixth president of the school. During his 12 years as president, Southwest Missouri State University experienced unprecedented growth and success. The school was renamed Southwest Missouri State University in 1972 through an enactment of the Missouri General Assembly. Enrollment increased to all time highs every year of his tenure except one, and SMSU became the second largest 4-year public institution in the State of Missouri. Other notable landmarks of Dr. Meyer's tenure include the creation and implementation of an academic master plan, the creation of a business school, and the building of a new student event center. The SMSU athletic program began competition in NCAA Division One competition during his presidency.

After his retirement as president of the university, Dr. Meyer continued to serve Southwest Missouri State as a professor of history and president emeritus. He served the State of Missouri as a member of the Missouri Council on Public Higher Education Board. My colleague in the Senate, then-governor Kit Bond, appointed Dr. Meyer to serve on the Missouri Commission on Higher Education. Dr. Meyer has also written two textbooks that are still used in classrooms today, including ''The Heritage of Missouri: A History.''

Throughout his 42-year career, Dr. Duane G. Meyer served the students and faculty of Southwest Missouri State University and the surrounding communities with dedication and pride. As a former teaching colleague of Dr. Meyer at SMSU, I am grateful to him for his selfless labors and salute his work and the role he played in the education of thousands of students from Missouri and across America.

THE SPRATLY ISLANDS

Mr. THOMAS. Mr. President, while the dispute surrounding the Spratly Islands in the South China Sea has seemingly disappeared from our domestic press, I would like my colleagues to know that—unfortunately—it has not been resolved. On the contrary, the frequency and tenor of the hostile rhetoric and minor tiffs between the concerned parties have increased since I last spoke about the issue on the floor on March 30 of this year. This is reflected in the Asian media, and I would like to share here a small representative sampling of those reports from just the last 2 weeks with my colleagues to keep them abreast of the most recent developments. I ask unanimous consent. That several editorials be printed in the RECORD.

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

MILITARY TO ''FIRMLY'' DEFEND TERRITORIAL WATERS

HANOI VNA, May 7.—Defending firmly the territorial waters and islands in the East Sea [South China Sea] is an important part in Vietnam's strategic task of safeguarding its national independence, sovereignty and territorial integrity, said an article in the Quan Doi Nhan Dan (People's Army) daily on Friday [5 May].

The article, run in anticipation of the 40th foundation day of the Vietnam People's Navy (May 7), praised the Navy's feats of arms in the two resistance wars against foreign invaders. Over the past 40 years, the Vietnamese Navy made a big contribution to the struggle for national independence and freedom, particularly in the fight against the enemy's air raids and harbour blockade in the north. The Navy was assigned to set up a 'Ho Chi Minh Trail on the sea' to transport military supplies to liberation fighters in the south and actively engaged in the spring 1975 general offensive which liberated the entire South Vietnam including Truong Sa (Spratly) Islands.

Vietnam has a coastal line of 3,260 km. It has one million sq. Km of sea under its jurisdiction including two archipelagoes Hoang Sa, Parag Sa (Spratly) and a great number of other islands. Endowed with rich oil and other natural resources, Vietnam is expected to tap 7.7 million tonnes of crude oil this year and about 20-25 million tonnes by the year 2000.

Regarding the East Sea issue, during his talks in Seoul last month with South Korean president, party General Secretary Do Muoi said Truong Sa and Hoang Sa belong to Vietnam, and it wants to resolve the disputes through peaceful negotiations on the basis of equality, mutual respect and in line with the 1982 UN Convention on the Law of the Sea. He expressed his wish that joint efforts should be made to build Asia-the Pacific into a region of peace, stability, cooperation and prosperity.

For his part, President Le Duc Anh in a recent message to the inhabitants and soldiers on Truong Sa on the occasion of the 20th liberation day of the archipelago stressed that it is the country's sacred territory.

TRIP IS ''SERIOUS INFRINGEMENT''

BEIJING, May 16, (XINHUA)—Foreign Ministry spokesman Shen Guofang issued a statement here today.

Shen Guofang said: Plotted and organized by the Philippine military, a formation of two Philippine warships and one pleasure-boat carrying Filipino and foreign reporters sailed to Meiji Reef of our country's Nansha Islands [Spratly Islands] on 13 May to engage in so-called ''news-gathering'' activities. Prior to that, the Chinese Foreign Ministry and the Chinese Embassy in the Philippines had made stern representations on several occasions to the Philippine side, in which they demanded the latter to call off this provocative act. The Philippine side, however, disregarded the Chinese Government's stern warning and was bent on having its own way. This was a serious infringement of China's sovereignty. The Chinese Government has lodged a strong protest with the Philippine Government over this matter.

He said: We advise the Philippine side not to misinterpret the Chinese side's restraint. The Philippine side had better return to the correct course of settling the relevant dispute through peaceful talks. If the Philippine side continues to act willfully and recklessly, it should be responsible for all consequences arising therefrom.

''RECKLESS MOVES'' DISCOURAGED

BEIJING, May 16 (XINHUA)—China repeated today its protest against the Philippines for an organized trip by the Philippine side to Nansha Islands [Spratly Islands] last week, asking it ''not to misunderstand China's restraint.''

On May 13, at the instigation of the Philippine military forces, two Philippine warships and another ship carrying Philippine and foreign reporters went to China's Meiji Reef in the Nansha Islands for a so-called ''interview'', according to a statement of Chinese Foreign Ministry spokesman Shen Guofang issued here today.

Before that, Shen said, the Chinese Foreign Ministry and Chinese Embassy to the Philippines had made many solemn representations to the Philippine side, asking that country to cancel the provocative action.

However, the Philippine side, regardless of China's serious warning, still acted willfully, the spokesman said, adding that the action seriously encroached on China's * * *.

PHILIPPINES', PRC SHIPS FACE ''STANDOFF'' IN SPRATLYS ''STANDOFF'' LASTS 70 MINUTES

(''News Focus'' by Virgilio C. Galvez)

OFF MISCHIEF REEF, SPRATLY ISLANDS, May 16 KYODO—Two Chinese ships faced off with two Philippine naval vessels Saturday [13 May] while journalists were being ferried by helicopters over a Chinese-held reef in the disputed Spratly islands in the South China Sea.

The 70-minute standoff ended several minutes after the last of seven chopper sorties landed on the deck of the BRP Benguet, a landing ship which was carrying the first ever group of foreign and Filipino reporters to Mischief Reef, 250 kilometers west of Palawan Island in the western Philippines.

''You saw for yourself what they did . . . They crossed our bow. We were just doing our thing,'' Maj. Gen. Carlos Tanega, commander of Military Forces in western Philippines, told reporters.

''We were just launching and recovering helicopters . . . and here they are, sometimes blocking our way,'' Tanega pointed out.

On Monday, Beijing formally protested Manila's decision to allow foreign journalists to visit the disputed island Chain.

Apart from the Philippines and China, Vietnam, Taiwan, Malaysia and Brunei also claim all or portions of the Spratlys, which are believed to be rich in oil and other mineral deposits.

The media group, composed mostly of members of the Foreign Correspondents Association of the Philippines, left Manila on

May 11 for Puerto Princesa, nearly 600 km southwest of the capital.

It returned Tuesday to Manila after observing special municipal elections held Sunday in Pag-Asa, the largest of seven Spratly islands held by the Philippines.

After two nights aboard a private cruise ship, the journalists reached Jackson Atoll, about 50 km northwest of Mischief Reef, where they transferred to the World War II vintage Benguet.

The first two sorties with 16 journalists on board Vietnam war-era Uhih choppers with ''press'' markings took off at about 11:15 AM when the landing ship was about 30 km off Mischief Reef.

Also on board was Tanega, the first Philippine officer to fly over the area since the Chinese built at least 14 structures on four platforms around the reef.

Manila has strongly condemned the Chinese occupation of the reef, which Filipino officials stress is well within the country's 200-km exclusive economic zone.

Beijing maintains that the reef is part of its territory and claims the structures are ''shelters for fishermen.''

Tanega pointed out the two Chinese ships raced back to the reef's lagoon after apparently seeing the choppers, journalists said.

But in the second wave of sorties, journalists saw the ships heading toward the Philippine naval ships which were about 24 km off the reef.

From the ship's foredeck, journalists saw the Chinese vessels, a small fast boat and a larger ship, assume blocking positions midway between the reef and the Philippine vessels.

At that point, about 16 km from the reef, the Benguet stopped to launch the fourth and fifth sorties.

''We stopped because . . . We knew this is the place where we could accomplish the mission in the best, expeditious and safest way,'' said Tanega at a press conference the next day.

As the Benguet was ''lying to,'' a naval term to mean that a ship has stopped without dropping anchor, its patrol escort, Miguel Malvar, maneuvered from starboard to a position to port.

Tanega said this was done to prevent the bigger Chinese ship from coming closer to the Benguet.

The smaller Chinese vessel moved to a position as close as 50 meters from the Benguet from where some its crew took photos and filmed the operations of the naval ship.

''The reaction was definitely expected because they did not know what we were doing,'' said Tanega.

''They did not know where the helicopters were taking off . . . They could not surmise how a land-based helicopter could fly 208 km from the nearest land field,'' he pointed out.

Tanega said that while the Chinese vessel, whose Chinese markings identified it as belonging to Beijing's Bureau of Fisheries, was ''too close for comfort,'' he was not bothered by its presence.

As the choppers were secured on the deck of the Benguet, a Philippine Air Force reconnaissance plane radioed Tanega about the approach of ''two savage fishes.''

The plane was referring to Chinese frigates, which journalists learned were 24 km away and racing toward them.

Shortly after, at about 2:45 PM, Tanega ordered the Benguet and its escort ship to maneuver out of the area and proceed to Pag-Asa, some 18 hours away.

The two Chinese vessels made no attempt to stop the ships and stayed behind while the frigates, whose outlines could be seen on the horizon, appeared to stop.

''What is important here is we did what we had to do because this is our territory. We were eyeball to eyeball. We did not blink,'' said Tanega.

PRC STANCE ON MEDIA'S SPRATLYS TOUR ANALYZED

(Editorial: ''Manila Scores Versus Beijing'')

Whatever substance to Beijing's claim that the Chinese structures on Mischief Reef are mere stations of Chinese fishermen has been shown spurious by the celebrated stand-off that took place last Saturday at the Kalayaan Islands. There, two Chinese warships suddenly appeared 15 nautical miles away in apparent support of Chinese vessels blocking a Philippine Navy ship carrying local and foreign journalists.

The inspection trip by our Navy would have been enough to impress upon independent journalists that the structures on Mischief Reef could not have been mere fishing stations by ubiquitous Chinese fishermen: the structures are made of metal with parabolic discs all around, giving credence to Manila's claim they could eventually become naval support facilities.

But the Chinese, not exactly known for subtlety, betrayed their own intentions; they themselves confirmed Manila's claim. Within minutes after Philippine Navy helicopters started their sorties of Mischief Reef last Saturday, two frigates from the Chinese navy raced to the sight in apparent aid of the Chinese ''fishermen''.

The trip has therefore accomplished Manila's objective of proving to the international community that the Chinese are undermining the status quo in the Kalayaan and unnecessarily causing tension there. By arranging for the coverage by foreign journalists, Manila has not only scored a public relations point against Beijing, it has also buttressed its territorial claim to the Kalayaan. As Acting Foreign Secretary Domingo Siazon put it when he turned down Beijing's request that the tour be canceled, the foreign journalists who were coming along for the inspection should be an indication of how they perceived the ''sovereignty issue''.

By drawing international opinion to the issue, Manila has hit back at Beijing in the most capable way it could, making full use of the resources of democracy and unmasking in the process China's unneighborly designs in the region. It has billed the trip as a concession to freedom of the press and made it just an item in the larger itinerary of visiting the Filipino settlements in the Kalayaan in order to conduct the elections there. In one fell swoop, the Philippines has been able to demonstrate its democratic character contrast to the authoritarian regime in China as well as the fact that the Kalayaan is hers by virtue of the Filipino living there.

The rub is that the confrontation shows China's aggressiveness in pursuing its weak claim on Kalayaan. And with the Philippine military by all accounts standing eyeball to eyeball with the Chinese display of mi last Saturday—the Italian-made jets of the Philippine Air Force screamed overhead during the stand-off to warn theinese—, what has been drummed to the international community is the seriousness of the Kalayaan dispute. In such a t, hostilities in the islands could break out any time.

But the tension could be managed by forceful diplomacy and imaginative show of force against Beijing. Manila has been able to compel Washington to issue a statement which voiced United States' interest that ''freedom of maritime investigation'' shall be preserved in the South China Sea, a clear potshot at Beijing over its mischievous incursions. Manila now has to navigate through the contentious domestic dispute over some sort of a military logistical arrangement of the US in the aftermath of the pullout of the Americans from Subic and Clark. Asian capitals and some sectors in thilippine are loath to admit it but the key to controlling China and maintaining Asian security in the future is to America militarily engaged in the region.

[From the Manila Philippine Daily, May 18, 1995]

''CREATIVE'' POLICY ON SPRATLYS LEADS TO SUCCESS

The decision to take on China on the Spratlys is the boldest foreign policy initiative ever taken by the Ramos administration. It is even more remarkable if we consider that he took a stand despite the military and economic weakness of the Philippines. That the Philippines forcefully challenged Chinese creeping expansion in the Spratlys was a shock to China, as well as a surprise to our ASEAN allies. They never expected the ''sick man of Asia'' to take on the Chinese giant on the question of territorial integrity. The diplomatic gamble paid off. It brought to the surface historic fears in Asia about the Chinese threat, which is more magnified by the modernization of its armed forces and its rapidly expanding economy.

President Ramos' gamble touched a raw nerve among Asians, and now many of our neighbors have dropped their reluctance to warn against the Chinese threat. The fear and anxieties over the Chinese move on the Spratlys are based on stronger grounds than sovereignty or who should exploit maritime resources supposed to lie underneath the atolls. The larger issue, as pointed out by Goh Chok Tong to Chinese Foreign Minister Li Peng, involves the freedom of navigation in the South China Sea, over which China claims sovereignty based on antiquarian maps.

It was the Philippines' actions that proved to be the catalyst of the new-found solidarity among ASEAN and the Asia-Pacific nations, notably Japan and the United States, to forge a common stand in persuading China that it is in her interest to bring the dispute within the framework of multilateral negotiations. The Philippine action proves that tough diplomatic decisions can give us a position of strength if we get international support behind us. This is what we call creative diplomacy.

Mr. THOMAS. Let me say in closing, Mr. President, that I am pleased the State Department has finally issued a definitive U.S. position on the Spratlys, with which I heartily agree. I believe that the Foreign Relations Committee will take up Senate Resolution 97—a sense-of-the-Senate resolution on the islands which I sponsored—in the near future and move it to the floor soon thereafter.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON AERONAUTICS AND SPACE FOR FISCAL YEAR 1994—MESSAGE FROM THE PRESIDENT—PM 52

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation.

To the Congress of the United States:

I am pleased to transmit this report on the Nation's achievements in aeronautics and space during Fiscal Year 1994, as required under section 206 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476). Aeronautics and space activities involve 15 contributing departments and agencies of the Federal Government, as this report reflects, and the results of their ongoing research and development affect the Nation as a whole in a variety of ways.

Fiscal Year 1994 featured many important developments and changes in U.S. aeronautics and space efforts. It included 7 Space Shuttle missions successfully completed, 15 Government launches of Expendable Launch Vehicles (ELVs), and 4 commercial launches from Government facilities. Among notable developments in the ELV area were the launch of the Deep Space probe, Clementine, initial use of the Titan IV Centaur upper stage, and the first launch of the Taurus launch vehicle. Highlights of the Shuttle missions included the highly successful servicing mission for the Hubble Space Telescope (HST), which replaced several faulty parts and installed a sophisticated package of corrective optics to compensate for the spherical aberration in HST's primary mirror. Also, the flight of the Space Radar Laboratory began to provide information on environmental change, and a mission with a Russian astronaut, Sergei Krikalev, as a member of the crew signalled the beginning of a three-phased cooperative program in space between Russia and the United States.

In a year of tremendous accomplishments for the international Space Station, National Aeronautics and Space Administration (NASA) developed an initial set of specifications that included Russian elements as part of the design. Russia's agreeing to join the 12 original participating nations as a partner resulted in the expansion of the existing Shuttle/Mir program into Phase I of the international Space Station program, which officially began with Sergei Krikalev's flight on the Shuttle. All of the partners held a successful systems design review in Texas in March, and in June, Russia and the United States signed an interim agreement on the Space Station and a $400 million contract for Russian space hardware, services, and data. In August, the program completed a vehicle architecture review and in September, the Space Station Control Board ratified the recommendations it included. The redesigned Space Station costs $5 billion less than Space Station Freedom and still offers increased research capability and user flexibility.

In aeronautics, activities included development of technologies to improve performance, increase safety, reduce engine noise and other environmental degradation, improve air traffic management, lower costs, and help American industry to be more competitive in the world market. For example, high-speed research continued during Fiscal Year 1994 to focus on resolving critical environmental issues and laying the technological foundation for an economical, next generation, High Speed Civil Transport (HSCT). In this connection, the United States reached agreement with Russia to use the Tu-144 supersonic transport as a testbed for HSCT development. In addition, efforts in advanced subsonics focused on reducing aircraft and engine noise levels, on development of wind shear sensing devices, and on creating technologies that will improve general aviation aircraft.

In space science, astronomers using HST's revitalized optics discovered disks of protoplanetary dust orbiting stars in the Orion Nebula, suggesting that the formation of planets in the Milky Way and elsewhere may be relatively common. Also, HST's revelation of helium in distant constellations provides valuable information about the conditions in the universe during its initial evolution. The Spacelab Life Sciences-2, U.S. Microgravity Payload-2, and International Microgravity Laboratory-2 greatly increased our understanding of the role of gravity on biological, physical, and chemical processes. In biology, we learned that gravity affects the function of the neural connections between brain cells; this can have profound implications for rebuilding damaged brain cells due to strokes and disease. In Earth science, the Space Radar Laboratories-1 and -2, plus the Lidar In-Space Technology Experiment payload, used powerful radar and laser technology to penetrate cloud cover and map critical factors on a global scale. Also, the highly successful launch of the Clementine Deep Space Probe tested 23 advanced technologies for high-tech, lightweight missile defense. The relatively inexpensive, rapidly-built spececraft constituted a major revolution in spacecraft management and design; it also contributed significantly to lunar studies by photographing 1.8 million images of the surface of the Moon.

Additionally, on May 5, 1994, the White House announced that the National Oceanic and Atmospheric Administration (NOAA), the Department of Defense, and NASA were establishing a joint program to effect the convergence of civil and military polar-orbiting operational environmental satellite systems into a single operational program. Other White House announcements during the year included a policy for licensing U.S. firms by the Secretary of Commerce to operate private remote sensing systems and sell their images to domestic and foreign entities and a national space transportation policy that will sustain and revitalize U.S. space transportation capabilities by providing a coherent strategy for supporting and strengthening U.S. space launch capabilities to meet the growth needs of the civilian and national security sectors.

Thus, Fiscal Year 1994 was a highly successful one for the U.S. aeronautics and space programs. Efforts in both areas have contributed significantly to furthering the Nation's scientific and technical knowledge, international cooperation, a healthier environment, and a more competitive economy.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 24, 1995*.

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 11 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 1421. An act 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.

The enrolled bill was subsequently signed by the President pro tempore [Mr. THURMOND].

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SHELBY (for himself, Mr. HEFLIN, Mr. COVERDELL, and Mr. NUNN):

S. 848. A bill to grant the consent of Congress to an amendment of the Historic Chattahoochee Compact between the States of Alabama and Georgia; to the Committee on the Judiciary.

By Mr. D'AMATO:

S. 849. A bill to amend the Age Discrimination in Employment Act of 1967 to protect elected judges against discrimination based on age; to the Committee on Labor and Human Resources.

By Mrs. KASSEBAUM (for herself, Mr. COATS, Mr. JEFFORDS, Mr. KENNEDY, Mr. DODD, and Mr. INOUYE):

S. 850. A bill to amend the Child Care and Development Block Grant Act of 1990 to consolidate Federal child care programs, and for other purposes; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. KASSEBAUM (for herself, Mr. COATS, Mr. JEFFORDS, Mr. KENNEDY, Mr. DODD, and Mr. INOUYE):

S. 850. A bill to amend the Child Care and Development Block Grant Act of 1990 to consolidate Federal child care programs, and for other purposes; to the Committee on Labor and Human Resources.

THE CHILD CARE AND DEVELOPMENT BLOCK GRANT AMENDMENTS ACT OF 1995

Mrs. KASSEBAUM. Mr. President, I rise today to introduce the Child Care and Development Block Grant Amendments Act of 1995 on behalf of myself, Senator COATS, Senator KENNEDY, Senator DODD, Senator INOUYE, and Senator JEFFORDS. This legislation reauthorizes the child care and development block grant of 1990 and makes several important changes to the law.

The funding and leadership that the Federal Government has provided for child care has played a critical role in assisting low-income working families to maintain stable employment and helping welfare recipients gain independence. As States try to move welfare recipients into employment, the availability of affordable, quality child care will be of even greater importance. If Congress and the States are committed to having welfare reform succeed, then there needs to be a partnership between Federal and State governments to allocate funding for quality child care.

The child care and development block grant was enacted in 1990 with bipartisan support. Congress recognized that there was a lack of adequate child care for many low-income families. This continues to be a nationwide problem.

According to a 1991 report by the Bureau of the Census, 31 million children under the age of 15 had mothers employed outside the home—almost 2 million of these children were infants under 1 year of age. This trend is continuing, with more and more mothers entering the work force each year. It has become increasingly difficult for low-income working parents to find affordable child care. Despite the significant contributions the child care and development block grant and other Federal child care programs have made in assisting families with their child care needs, there are waiting lists for child care subsidies in almost every State. If Congress does not continue to commit Federal funding for child care, these waiting lists will continue to grow, and efforts to reform the welfare system will fail.

The legislation which my colleagues and I are introducing provides States funding to provide quality child care for low-income families through a unified child care system. The Child Care and Development Block Grant Amendments Act of 1995 consolidates Federal discretionary programs that provide child care services. The primary goal of this bill is to ensure that there is a seamless system of child care where it counts the most—at the point where the parent, child, and provider meet.

This legislation maintains most of the critical provisions of the child care and development block grant—a program that has been working successfully in the States since its enactment. The bill emphasizes access to quality child care, parental choice, and consumer education. The bill continues to minimal health and safety standards established in 1990. The 1995 amendments to the act provide States with the flexibility to improve the quality and supply of child care, to design eligibility requirements through a sliding fee scale, and to provide broader access to referral and resource services for parents and providers. Provisions in the legislation ensure that Federal funds that States use for child care will be funneled through the existing State system designed to implement the child care and development block grant. The legislation also includes several important provisions designed to improve the availability of quality child care for native American families.

The Child Care and Development Block Grant Amendments Act of 1995 consolidates two discretionary programs, the State Department Care Planning and Development Grants and the Child Development Associate Credential Scholarship Program. The program is authorized for $1 billion in 1996, and such sums as necessary through the year 2000. This authorization level is based on current funding levels for all three programs, with a slight increase for inflation.

I invite my colleagues on both sides of the aisle to join with Senator COATS, Senator JEFFORDS, Senator KENNEDY, Senator DODD, Senator INOUYE, and me in cosponsoring the Child Care and Development Block Grant Amendments Act of 1995. I hope there is as much bipartisan support for this reauthorization as there was for the original legislation.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

THE CHILD CARE AND DEVELOPMENT BLOCK GRANT AMENDMENTS ACT OF 1995

SUMMARY

1. Authorization: The Child Care and Development Block Grant (CCDBG) is amended to include two discretionary programs, the State Dependent Care Planning and Development Grants and the Child Development Associate Credential (CDA) Scholarships, into a discretionary block grant with no state match required. This is consistent with the current CCDBG structure. The authorization for fiscal year 1996 is $1,000,000,000 and such sums as necessary through the year 2000.

II. State Requirements:

A. The health and safety standards that were included in the CCDBG when it was enacted in 1990, are maintained. These standards are broadly defined, and states are given discretion in enforcing them. The standards are: (1) the prevention and control of infectious diseases; (2) building and physical premises safety; and (3) minimum health and safety training appropriate to the provider setting. Providers receiving funds from the block grant (via contract or parent voucher) must meet any existing state and local licensing and regulatory requirements.

B. The quality set-aside, which is part of the 1990 act, is maintained. However, it is more broadly defined and gives states discretion in how they choose to spend the money. The only required quality activity is that states must provide consumer education to encourage maximum parental choice and improve availability of child care through a comprehensive referral and resource system. The set-aside is 15 percent of the state allotment.

C. States are required to submit a plan, similar to what they currently are providing under the CCDBG, which designates a lead agency and outlines procedures that are in place for assuring parental choice of providers, parental complaints, consumer education, and compliance with state and local licensing and health and safety requirements.

D. States shall submit a report to the Secretary of HHS every 2 years specifying how they used the money, the number of children who were assisted, activities that were implemented to encourage a public-private partnership, and the extent and manner in which they implemented a resource and referral network.

E. States are required to establish a sliding fee scale that ensures a representative distribution of participation among the working poor and welfare recipients.

F. States may not expend more than 5 percent on administrative costs.

G. If states expend monies for child care from other federal funding sources, then this funding shall be allocated through the CCDBG. This will reduce federal regulations and requirements by establishing one consolidated child care program. This will also provide beneficiaries with more stability in child care since eligibility requirements will be streamlined.

III. Enforcement Mechanisms: If a state is determined (via the HHS appeals and hearing process) to have improperly expended the block grant funds, the Secretary is given the option of: (1) imposing additional requirements to ensure state compliance or correct areas of noncompliance with the act; (2) require states to repay funds improperly expended; (3) deduct from the administrative portion of the state allotment an amount less than or equal to the improperly expended funds; (4) or a combination of these options.

IV. Indian Tribes: The following provisions have been added for Indian tribes: (1) allowing tribes to use funds for facilities construction if the Secretary of HHS determines that this is a barrier to providing child care (this applies only to Indian tribes); (2) allowing any tribal allotments that are not expended to be redistributed to other tribes, which is similar to what happens with unused state allotments; and (3) exempting tribes from state licensing requirements and allowing the Secretary, in consultation with the tribes, to develop minimum standards for child care providers that takes into account tribes' needs and available resources. The set-aside for Indian tribes of up to 3 percent, which is part of the 1990 law, has been maintained.

PROGRAMS TO BE CONSOLIDATED

Child Care and Development Block Grant—discretionary grant program to help low-income parents pay for child care, to expand

early childhood development programs to improve the availability and quality of care. No state match is required. (Enacted in 1990 as part of OBRA '90)

FY 94 Actual, $893 million.

FY 95 Enacted, $935 million.

State Dependent Care Planning and Development Grants—discretionary grant program for child care resource and referral and for before- and after-school child care services. Provides a 75 percent federal matching rate to states.

FY 94 Actual, $13 million.

FY 95 Enacted, $13 million.

Child Development Associate Credential (CDA) Scholarships—discretionary grant program to states to provide scholarships to qualified child care workers to cover the cost of the CDA application, assessment, and credentialing. This credential is awarded by the Council for Early Childhood Professional Recognition. No state match is required.

FY 94 Actual, $1 million.

FY 95 Enacted, $1 million.

• Mr. COATS. Mr. President, today, I am pleased to join Senator KASSEBAUM in introducing the Child Care and Development Block Grant Amendments Act of 1995. Since its passage in 1990, this program has, and continues to enjoy strong bipartisan, community and grassroots support. With the assistance provided under this act thousands of families have, for the first time, been able to work without fearing the placement of their children in less than quality child care environments.

Currently, 55 percent of all working families enroll their children in some form of child care. The dramatic increase in labor force participation of mothers continues to heighten our awareness of the need for child services. And with the imminent passage of welfare reform, the need will undoubtedly be even greater.

The goals of a Federal child care program are many. First, to ensure a safe, healthy and stimulating environment for the children. Second, to afford parents the maximum amount of choice in the selection of a provider. Third, to assist with the availability of child care slots. Fourth, to ensure that limited Federal dollars are targeted to those most in need. And fifth, to distribute funds to States in a way that makes sense, eliminates redtape, and ensures maximum use of resources.

I believe we have met each of these goals in this legislation.

First, we continue the minimum health and safety standards negotiated in 1990. These standards are not prescriptive but they do insist that child care providers provide a safe and healthy environment for children in their care. Second, parents are able to select from a wide range of child care providers through the use of direct grants, contracts, and parent certificates. These include sectarian providers and family day care homes which currently are the largest group of providers of child care services. Third, the authorization level reflect a continued Federal priority for quality child care services. Expansion of available child care slots is important, but is equally important to maintain quality in our expansion efforts. The Kassebaum-Coats bill strikes this important balance in authorizing a 15-percent set-aside for quality improvement. Fourth, the bill targets dollars to the working poor by requiring States to establish a sliding fee scale for families up to 100 percent of the State medium income. And finally, we have included language to ensure that Federal resources used for child care are consolidated into one, uniform system.

This last point is significant. In recent years, growing concern has been expressed about the number of Federal child care programs. The General Accounting Office reports there are currently 93 different child care programs administered by 11 Federal agencies and 20 offices, at a total cost to the taxpayer of at least $11.5 billion, and that does not include various tax programs targeted at families with children.

The Kassebaum-Coats bill ensures that those dollars will be used in a way that meets the goals of our Federal child care policy and not in ways that contravene it.

In addressing child care within the context of the welfare reform debate we must be careful not to force parents to choose between work, and quality day care. Many families, especially low-income working families, need help with their child care needs. Solutions and welfare reform must be pursued with compassionate realism, recognizing our budgetary limitations, but motivated by a concern for children and their best interests. The Kassebaum-Coats bill, coupled with the block grant and cash assistance program will significantly help those entering the work force with their child care needs—and does so in a way that is fiscally responsible.

I would again like to thank Senator KASSEBAUM for her leadership in this area, and hope that this legislation receives swift approval in the Senate.•

ADDITIONAL COSPONSORS

S. 256

At the request of Mr. DOLE, the names of the Senator from Pennsylvania [Mr. SANTORUM] and the Senator from Minnesota [Mr. GRAMS] were added as cosponsors of S. 256, a bill to amend title 10, United States Code, to establish procedures for determining the status of certain missing members of the Armed Forces and certain civilians, and for other purposes.

S. 388

At the request of Ms. SNOWE, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 388, a bill to amend title 23, United States Code, to eliminate the penalties for noncompliance by States with a program requiring the use of motorcycle helmets, and for other purposes.

S. 471

At the request of Mr. BIDEN, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 471, a bill to provide for the payment to States of plot allowances for certain veterans eligible for burial in a national cemetery who are buried in cemeteries of such States.

S. 582

At the request of Mr. HATFIELD, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 582, a bill to amend title 28, United States Code, to provide that certain voluntary disclosures of violations of Federal laws made pursuant to an environmental audit shall not be subject to discovery or admitted into evidence during a Federal judicial or administrative proceeding, and for other purposes.

S. 585

At the request of Mr. SHELBY, the names of the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Michigan [Mr. ABRAHAM], the Senator from Tennessee [Mr. FRIST], and the Senator from Texas [Mrs. HUTCHISON] were added as cosponsors of S. 585, a bill to protect the rights of small entities subject to investigative or enforcement action by agencies, and for other purposes.

S. 758

At the request of Mr. HATCH, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 758, a bill to amend the Internal Revenue Code of 1986 to provide for S corporation reform, and for other purposes.

S. 770

At the request of Mr. DOLE, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 770, a bill to provide for the relocation of the United States Embassy in Israel to Jerusalem, and for other purposes.

S. 794

At the request of Mr. LUGAR, the name of the Senator from Wyoming [Mr. THOMAS] was added as a cosponsor of S. 794, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to facilitate the minor use of a pesticide, and for other purposes.

S. 814

At the request of Mr. MCCAIN, the name of the Senator from Wyoming [Mr. THOMAS] was added as a cosponsor of S. 814, a bill to provide for the reorganization of the Bureau of Indian Affairs, and for other purposes.

S. 816

At the request of Mr. DEWINE, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 816, a bill to provide equal protection for victims of crime, to facilitate the exchange of information between Federal and State law enforcement and investigation entities, to reform criminal procedure, and for other purposes.

S. 847

At the request of Mr. GREGG, the names of the Senator from Nevada [Mr. BRYAN], and the Senator from Pennsylvania [Mr. SANTORUM] were added as

cosponsors of S. 847, a bill to terminate the agricultural price support and production adjustment programs for sugar, and for other purposes.

SENATE JOINT RESOLUTION 34

At the request of Mr. SMITH, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of Senate Joint Resolution 34, a joint resolution prohibiting funds for diplomatic relations and most favored nation trading status with the Socialist Republic of Vietnam unless the President certifies to Congress that Vietnamese officials are being fully cooperative and forthcoming with efforts to account for the 2,205 Americans still missing and otherwise unaccounted for from the Vietnam War, as determined on the basis of all information available to the United States Government, and for other purposes.

SENATE CONCURRENT RESOLUTION 11

At the request of Ms. SNOWE, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Delaware [Mr. ROTH], the Senator from Connecticut [Mr. LIEBERMAN], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of Senate Concurrent Resolution 11, a concurrent resolution supporting a resolution to the longstanding dispute regarding Cyprus.

AMENDMENT NO. 1128

At the request of Ms. SNOWE the name of the Senator from Idaho [Mr. KEMPTHORNE] was added as a cosponsor of Amendment No. 1128 proposed to S. Con. Res. 13, an original concurrent resolution setting forth the congressional budget for the United States Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002.

AMENDMENTS SUBMITTED

THE CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

DODD (AND OTHERS) AMENDMENT NO. 1131

Mr. DODD (for himself, Mr. HARKIN, Mr. HOLLINGS, Mr. KENNEDY, Mr. JEFFORDS, Mr. PELL, Mr. WELLSTONE, and Mr. SIMON) proposed an amendment to amendment No. 1131 proposed by Ms. SNOWE to the concurrent resolution (S. Con. Res. 13) setting forth the congressional budget for the United States Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002; as follows:

Strike all after line 1 and insert:

''On page 3, line 10, increase the amount by $5,100,000,000.

On page 3, line 11, increase the amount by $3,400,000,000.

On page 3, line 12, increase the amount by $3,600,000,000.

On page 3, line 13, increase the amount by $3,800,000,000.

On page 3, line 14, increase the amount by $4,000,000,000.

On page 3, line 15, increase the amount by $4,000,000,000.

On page 3, line 16, increase the amount by $4,100,000,000.

On page 3, line 20, increase the amount by $5,100,000,000.

On page 3, line 21, increase the amount by $3,400,000,000.

On page 3, line 22, increase the amount by $3,600,000,000.

On page 3, line 23, increase the amount by $3,800,000,000.

On page 3, line 24, increase the amount by $4,000,000,000.

On page 3, line 25, increase the amount by $4,000,000,000.

On page 4, line 1, increase the amount by $4,100,000,000.

On page 4, line 18, increase the amount by $5,100,000,000.

On page 4, line 19, increase the amount by $3,400,000,000.

On page 4, line 20, increase the amount by $3,600,000,000.

On page 4, line 21, increase the amount by $3,800,000,000.

On page 4, line 22, increase the amount by $4,000,000,000.

On page 4, line 23, increase the amount by $4,000,000,000.

On page 4, line 24, increase the amount by $4,100,000,000.

On page 5, line 4, increase the amount by $5,100,000,000.

On page 5, line 5, increase the amount by $3,400,000,000.

On page 5, line 6, increase the amount by $3,600,000,000.

On page 5, line 7, increase the amount by $3,800,000,000.

On page 5, line 8, increase the amount by $4,000,000,000.

On page 5, line 9, increase the amount by $4,000,000,000.

On page 5, line 10, increase the amount by $4,100,000,000.

On page 5, line 17, increase the amount by $28,300,000,000.

On page 5, line 18, increase the amount by $3,800,000,000.

On page 5, line 19, increase the amount by $3,600,000,000.

On page 5, line 20, increase the amount by $3,800,000,000.

On page 5, line 21, increase the amount by $4,000,000,000.

On page 5, line 22, increase the amount by $4,000,000,000.

On page 5, line 23, increase the amount by $4,100,000,000.

On page 6, line 16, increase the amount by $5,100,000,000.

On page 6, line 17, increase the amount by $3,400,000,000.

On page 6, line 18, increase the amount by $3,600,000,000.

On page 6, line 19, increase the amount by $3,800,000,000.

On page 6, line 20, increase the amount by $4,000,000,000.

On page 6, line 21, increase the amount by $4,000,000,000.

On page 6, line 22, increase the amount by $4,100,000,000.

On page 31, line 12, increase the amount by $28,300,000,000.

On page 31, line 20, increase the amount by $3,800,000,000.

On page 32, line 3, increase the amount by $3,600,000,000.

On page 32, line 11, increase the amount by $3,800,000,000.

On page 32, line 19, increase the amount by $4,000,000,000.

On page 33, line 2, increase the amount by $4,000,000,000.

On page 33, line 10, increase the amount by $4,100,000,000.

On page 31, line 13, increase the amount by $5,100,000,000.

On page 31, line 21, increase the amount by $3,400,000,000.

On page 32, line 4, increase the amount by $3,600,000,000.

On page 32, line 12, increase the amount by $3,800,000,000.

On page 32, line 20, increase the amount by $4,000,000,000.

On page 33, line 3, increase the amount by $4,000,000,000.

On page 33, line 11, increase the amount by $4,100,000,000.

On page 64, line 9, decrease the amount by $1,100,000,000.

On page 64, line 10, decrease the amount by $7,900,000,000.

On page 64, line 11, decrease the amount by $12,000,000,000.

On page 65, line 17, increase the amount by $26,700,000,000.

On page 65, line 18, increase the amount by $4,000,000,000.

On page 65, line 24, increase the amount by $2,400,000,000.

On page 65, line 25, increase the amount by $2,000,000,000.

On page 66, line 6, increase the amount by $2,000,000,000.

On page 66, line 7, increase the amount by $2,000,000,000.

On page 66, line 13, increase the amount by $2,000,000,000.

On page 66, line 14, increase the amount by $2,000,000,000.

On page 66, line 20, increase the amount by $2,000,000,000.

On page 66, line 21, increase the amount by $2,000,000,000.

On page 67, line 2, increase the amount by $2,000,000,000.

On page 67, line 3, increase the amount by $2,000,000,000.

On page 67, line 9, increase the amount by $2,000,000,000.

On page 67, line 10, increase the amount by $2,000,000,000.''

HATFIELD (AND OTHERS) AMENDMENT NO. 1132

Mr. HATFIELD (for himself, Mr. JEFFORDS, Mr. HARKIN, Mr. SIMON, Mr. KENNEDY, Mr. PELL) proposed an amendment to the concurrent resolution S. Con. Res 13, supra; as follows:

On page 11, line 7, decrease the amount by $430,000,000.

On page 11, line 8, decrease the amount by $258,000,000.

On page 11, line 4, decrease the amount by $920,000,000.

On page 11, line 15, decrease the amount by $552,000,000.

On page 11, line 21, decrease the amount by $1,000,000,000.

On page 11, line 22, decrease the amount by $600,000,000.

On page 12, line 3, decrease the amount by $1,000,000,000.

On page 12, line 4, decrease the amount by $600,000,000.

On page 12, line 10, decrease the amount by $1,000,000,000.

On page 12, line 11, decrease the amount by $600,000,000.

On page 12, line 17, decrease the amount by $1,000,000,000.

On page 12, line 18, decrease the amount by $600,000,000.

On page 12, line 24, decrease the amount by $1,000,000,000.

On page 12, line 25, decrease the amount by $600,000,000.

On page 33, line 19, increase the amount by $1,000,000,000.

On page 33, line 20, increase the amount by $430,000,000.

On page 34, line 2, increase the amount by $1,000,000,000.
On page 34, line 3, increase the amount by $920,000,000.
On page 34, line 9, increase the amount by $1,000,000,000.
On page 34, line 10, increase the amount by $1,000,000,000.
On page 34, line 16, increase the amount by $1,000,000,000.
On page 34, line 17, increase the amount by $1,000,000,000.
On page 34, line 23, increase the amount by $1,000,000,000.
On page 34, line 24, increase the amount by $1,000,000,000.
On page 35, line 5, increase the amount by $1,000,000,000.
On page 35, line 6, increase the amount by $1,000,000,000.
On page 35, line 12, increase the amount by $1,000,000,000.
On page 35, line 13, increase the amount by $1,000,000,000.
On page 54, line 20, increase the amount by $570,000,000.
On page 54, line 21, increase the amount by $172,000,000.
On page 55, line 2, increase the amount by $80,000,000.
On page 55, line 3, increase the amount by $368,000,000.
On page 55, line 10, increase the amount by $400,000,000.
On page 55, line 17, increase the amount by $400,000,000.
On page 55, line 24, increase the amount by $400,000,000.
On page 56, line 6, increase the amount by $400,000,000.
On page 56, line 13, increase the amount by $400,000,000.
On page 65, line 14, decrease the amount by $430,000,000.
On page 65, line 15, decrease the amount by $258,000,000.
On page 65, line 17, increase the amount by $430,000,000.
On page 65, line 18, increase the amount by $258,000,000.
On page 65, line 21, decrease the amount by $920,000,000.
On page 65, line 22, decrease the amount by $552,000,000.
On page 65, line 24, increase the amount by $920,000,000.
On page 65, line 25, increase the amount by $552,000,000.
On page 66, line 3, decrease the amount by $1,000,000,000.
On page 66, line 4, decrease the amount by $600,000,000.
On page 66, line 6, increase the amount by $1,000,000,000.
On page 66, line 7, increase the amount by $600,000,000.
On page 66, line 10, decrease the amount by $1,000,000,000.
On page 66, line 11, decrease the amount by $600,000,000.
On page 66, line 13, increase the amount by $1,000,000,000.
On page 66, line 14, increase the amount by $600,000,000.
On page 66, line 17, decrease the amount by $1,000,000,000.
On page 66, line 18, decrease the amount by $600,000,000.
On page 66, line 20, increase the amount by $1,000,000,000.
On page 66, line 21, increase the amount by $600,000,000.
On page 66, line 24, decrease the amount by $1,000,000,000.
On page 66, line 25, decrease the amount by $600,000,000.
On page 67, line 2, increase the amount by $1,000,000,000.
On page 67, line 3, increase the amount by $600,000,000.
On page 67, line 6, decrease the amount by $1,000,000,000.
On page 67, line 7, decrease the amount by $600,000,000.
On page 67, line 9, increase the amount by $1,000,000,000.
On page 67, line 10, increase the amount by $600,000,000.

HATFIELD (AND OTHERS) AMENDMENT NO. 1133

Mr. HATFIELD (for himself, Mr. SPECTER, Mrs. KASSEBAUM, Mr. JEFFORDS, Mr. D'AMATO, Mr. KENNEDY, Mr. SIMON, Mr. COHEN, Mr. DODD, Mr. INOUYE, Mr. MACK, Mr. PELL, Mr. BINGAMAN, and Mr. GLENN) proposed an amendment to the concurrent resolution Senate Concurrent Resolution 13, supra; as follows:

On page 33, line 19, increase the amount by $1,000,000,000.
On page 33, line 20, increase the amount by $430,000,000.
On page 34, line 2, increase the amount by $1,000,000,000.
On page 34, line 3, increase the amount by $920,000,000.
On page 34, line 9, increase the amount by $1,000,000,000.
On page 34, line 10, increase the amount by $1,000,000,000.
On page 34, line 16, increase the amount by $1,000,000,000.
On page 34, line 17, increase the amount by $1,000,000,000.
On page 34, line 23, increase the amount by $1,000,000,000.
On page 34, line 24, increase the amount by $1,000,000,000.
On page 35, line 5, increase the amount by $1,000,000,000.
On page 35, line 6, increase the amount by $1,000,000,000.
On page 35, line 12, increase the amount by $1,000,000,000.
On page 35, line 13, increase the amount by $1,000,000,000.
On page 54, line 20, increase the amount by $1,000,000,000.
On page 54, line 21, increase the amount by $430,000,000.
On page 55, line 2, increase the amount by $1,000,000,000.
On page 55, line 3, increase the amount by $920,000,000.
On page 55, line 9, increase the amount by $1,000,000,000.
On page 55, line 10, increase the amount by $1,000,000,000.
On page 55, line 16, increase the amount by $1,000,000,000.
On page 55, line 17, increase the amount by $1,000,000,000.
On page 55, line 23, increase the amount by $1,000,000,000.
On page 55, line 24, increase the amount by $1,000,000,000.
On page 56, line 5, increase the amount by $1,000,000,000.
On page 56, line 6, increase the amount by $1,000,000,000.
On page 56, line 12, increase the amount by $1,000,000,000.
On page 56, line 13, increase the amount by $1,000,000,000.

BOXER AMENDMENT NO. 1134

Mrs. BOXER proposed an amendment to the concurrent resolution Senate Concurrent Resolution 13, supra; as follows:

On page 89, strike lines 1 through 17 and insert the following:

SEC. 306. PROHIBITION OF LEGISLATION THAT WOULD INCLUDE A TAX CUT UNLESS 90 PERCENT OF THE BENEFITS GO TO THE MIDDLE CLASS.

(a) FINDINGS.—The Congress finds that—

(1) the incomes of middle-class families have stagnated since the early 1980's, with family incomes growing more slowly between 1979 and 1989 than in any other business cycle since World War II; and

(2) according to the Department of the Treasury, in 1996, approximately 90 percent of American families will have incomes less than $100,000.

(b) POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, resolution, amendment, motion, or conference report that contains a reduction in revenues unless at least 90 percent of the benefits of that reduction goes to working families with annual incomes less than $100,000.

(c) APPEALS.—Appeals in the Senate from decisions of the Chair relating to this section shall be limited to 1 hour, to be equally divided between and controlled by, the appellant and the manager of the bill or resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(d) CONGRESSIONAL BUDGET OFFICE REPORTS.—Whenever the Director of the Congressional Budget Office shall prepare a report pursuant to section 308 of the Congressional Budget Act of 1974 in connection with a bill, resolution, or conference report that contains a reduction in revenues, the Director shall so state in that report, and, to the extent practicable, shall include an estimate of the amount of the reduction in revenues and the percent of the benefits of that reduction in revenue that will go to working families with annual incomes less than $100,000.

(e) ESTIMATES.—Solely for the purposes of enforcement of this section on the Senate floor, the percentage of benefits of a reduction in revenues going to working families with annual incomes less than $100,000 shall be determined on the basis of estimates made by the Congressional Budget Office.

(f) SUNSET.—This section shall expire at the close of the 104th Congress.

KERRY (AND OTHERS) AMENDMENT NO. 1135

(Ordered to lie on the table.)

Mr. KERRY (for himself, Mr. SIMON, and Mr. FEINGOLD) submitted an amendment intended to be proposed by them to the concurrent resolution Senate Concurrent Resolution 13, supra; as follows:

On page 64, strike lines 17 through 19 and insert the following; "$2,000,000 in fiscal year 1996, $37,000,000 for the period of fiscal years 1996 through 2000, and $72,000,000 for the period of fiscal years 1996"
On page 66, line 6, decrease the amount by $70,000,000.
On page 66, line 13, decrease the amount by $70,000,000.
On page 66, line 14, decrease the amount by $28,000,000.
On page 66, line 20, decrease the amount by $70,000,000.
On page 66, line 21, decrease the amount by $215,000,000.
On page 67, line 2, decrease the amount by $70,000,000.
On page 67, line 3, decrease the amount by $4,000,000.
On page 67, line 9, decrease the amount by $70,000,000.

Mr. KERRY. Mr. President, the Kerry amendment reduces the reconciliation

instructions to the Rules Committee by the amount attributable to repeal of the existing system of public financing and spending limits for Presidential campaigns, which the Rules Committee would be able to meet only by repealing that system. In order to offset the budget effect of reducing the instructions to the Rules Committee to save the amount of funding attributable to the Presidential public financing system, the amendment will leave a requirement for the same amount of savings in Function 800—general government—without specifying how the savings are to be achieved, but will lower the nondefense discretionary caps beginning in 1999 by the equivalent amount. This will have the effect of giving the responsibility to the Appropriations Committee beginning in that year to allocate the aggregate amount of approximately $250 million over the period covered by the budget resolution to administrative and overhead savings in various Federal agencies, leaving the judgment to the Appropriations Committee as to which agencies, for what Function 800 purposes, and in what amounts to allocate the spending reductions.

This leaves the deficit reduction effects of the budget resolution unchanged. It means that this amendment is not subject to a point of order.

WELLSTONE (AND FEINGOLD) AMENDMENT NO. 1136

(Ordered to lie on the table.)

Mr. WELLSTONE (for himself and Mr. FEINGOLD) submitted an amendment intended to be proposed by them to the concurrent resolution Senate Concurrent Resolution 13, supra; as follows:

On page 63, line 7, strike the period and insert the following: ''. The Senate Committee on Finance shall report changes in laws within its jurisdiction to increase revenues $10,000,000,000 in fiscal year 1996, $50,000,000,000 for the period of fiscal years 1996 through 2000, and $70,000,000,000 for the period of fiscal years 1996 through 2002.''.

At the end of title III, insert the following:

SEC. . SENSE OF THE SENATE REGARDING TAX EXPENDITURES.

It is the sense of the Senate that the Committee on Finance, in meeting its reconciliation instructions for revenue, will limit or eliminate excessive and unnecessary tax expenditures, including those tax expenditures which provide special tax treatment to a single taxpayer or to a group of taxpayers.

WELLSTONE AMENDMENTS NOS. 1137–1141

(Ordered to lie on the table.)

Mr. WELLSTONE submitted five amendments intended to be proposed by him to the concurrent resolution Senate Concurrent Resolution 13, supra; as follows:

AMENDMENT NO. 1137

On page 3, line 10, increase the amount by $86,815,700.

On page 3, line 11, increase the amount by $782,539,790.

On page 3, line 12, increase the amount by $804,782,000.

On page 3, line 13, increase the amount by $804,782,000.

On page 3, line 14, increase the amount by $804,782,000.

On page 3, line 15, increase the amount by $804,782,000.

On page 3, line 16, increase the amount by $804,782,000.

On page 3, line 20, increase the amount by $86,815,700.

On page 3, line 21, increase the amount by $782,539,790.

On page 3, line 22, increase the amount by $804,782,000.

On page 3, line 23, increase the amount by $804,782,000.

On page 3, line 24, increase the amount by $804,782,000.

On page 3, line 25, increase the amount by $804,782,000.

On page 4, line 1, increase the amount by $804,782,000.

On page 4, line 18, increase the amount by $86,815,700.

On page 4, line 19, increase the amount by $782,539,790.

On page 4, line 20, increase the amount by $804,782,000.

On page 4, line 21, increase the amount by $804,782,000.

On page 4, line 22, increase the amount by $804,782,000.

On page 4, line 23, increase the amount by $804,782,000.

On page 4, line 24, increase the amount by $804,782,000.

On page 5, line 4, increase the amount by $86,815,700.

On page 5, line 5, increase the amount by $782,539,790.

On page 5, line 6, increase the amount by $804,782,000.

On page 5, line 7, increase the amount by $804,782,000.

On page 5, line 8, increase the amount by $804,782,000.

On page 5, line 9, increase the amount by $804,782,000.

On page 5, line 10, increase the amount by $804,782,000.

On page 5, line 17, increase the amount by $804,782,000.

On page 5, line 18, increase the amount by $804,782,000.

On page 5, line 19, increase the amount by $804,782,000.

On page 5, line 20, increase the amount by $804,782,000.

On page 5, line 21, increase the amount by $804,782,000.

On page 5, line 22, increase the amount by $804,782,000.

On page 5, line 23, increase the amount by $804,782,000.

On page 6, line 16, increase the amount by $86,815,700.

On page 6, line 17, increase the amount by $782,539,790.

On page 6, line 18, increase the amount by $804,782,000.

On page 6, line 19, increase the amount by $804,782,000.

On page 6, line 20, increase the amount by $804,782,000.

On page 6, line 21, increase the amount by $804,782,000.

On page 6, line 22, increase the amount by $804,782,000.

On page 31, line 12, increase the amount by $804,782,000.

On page 31, line 13, increase the amount by $86,815,700.

On page 31, line 20, increase the amount by $804,782,000.

On page 31, line 21, increase the amount by $782,539,790.

On page 32, line 3, increase the amount by $804,782,000.

On page 32, line 4, increase the amount by $804,782,000.

On page 32, line 11, increase the amount by $804,782,000.

On page 32, line 12, increase the amount by $804,782,000.

On page 32, line 19, increase the amount by $804,782,000.

On page 32, line 20, increase the amount by $804,782,000.

On page 33, line 2, increase the amount by $804,782,000.

On page 33, line 3, increase the amount by $804,782,000.

On page 33, line 10, increase the amount by $804,782,000.

On page 33, line 11, increase the amount by $804,782,000.

On page 65, line 17, increase the amount by $804,782,000.

On page 65, line 18, increase the amount by $86,815,000.

On page 65, line 24, increase the amount by $804,782,000.

On page 65, line 25, increase the amount by $782,539,790.

On page 66, line 6, increase the amount by $804,782,000.

On page 66, line 7, increase the amount by $804,782,000.

On page 66, line 13, increase the amount by $804,782,000.

On page 66, line 14, increase the amount by $804,782,000.

On page 66, line 20, increase the amount by $804,782,000.

On page 66, line 21, increase the amount by $804,782,000.

On page 67, line 2, increase the amount by $804,782,000.

On page 67, line 3, increase the amount by $804,782,000.

On page 67, line 9, increase the amount by $804,782,000.

On page 67, line 10, increase the amount by $804,782,000.

AMENDMENT NO. 1138

On page 5, line 17, decrease the amount by $10,000,000,000.

On page 6, line 16, decrease the amount by $5,000,000,000.

On page 7, line 15, decrease the amount by $5,000,000,000.

On page 11, line 7, decrease the amount by $10,000,000,000.

On page 11, line 8, decrease the amount by $5,000,000,000.

On page 65, line 14, decrease the amount by $10,000,000,000.

On page 65, line 15, decrease the amount by $5,000,000,000.

At the end of title II, insert the following:

SEC. . SENSE OF THE SENATE REGARDING DEFENSE SPENDING.

It is the sense of the Senate that in reducing defense spending by the amount provided for in this amendment, Congress shall focus on low-priority programs, and to the maximum extent possible should preserve funding for any programs and activities that directly affect force readiness or the quality of life for service members and their families.

AMENDMENT NO. 1139

On page 64, line 24, decrease the amount by $74,000,000.

On page 63, line 7, strike the period and insert the following: ''. The Senate Committee on Finance shall report changes in laws within its jurisdiction to increase revenues by $74,000,000 in fiscal year 1996.''

At the end of title III, insert the following:

Sec. . SENSE OF THE SENATE REGARDING TAX EXPENDITURES.

It is the sense of the Senate that the Committee on Finance, in meeting its reconciliation instructions for revenue, will limit or

eliminate excessive and unnecessary tax expenditures, including those tax expenditures which provide special tax treatment to a single taxpayer or to a group of taxpayers.

AMENDMENT NO. 1140

On page 74, strike lines 12 through 24 and insert in lieu thereof the following: ''budget, the revenue and spending aggregates may be revised and other appropriate budgetary allocations, aggregates and levels may be revised to reflect the additional deficit reduction achieved as calculated under subsection (c) for legislation that reduces revenues, and for legislation that will provide $15,000,000,000 to lessen the severity of the cuts to nutrition and commodities programs under the jurisdiction of the Committee on Agriculture, Nutrition, and Forestry.

''(b) REVISED ALLOCATIONS AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chair of the Committee on the Budget of the Senate may submit to the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974, discretionary spending limits under section 201(a) of this resolution, and budgetary aggregates and levels under this resolution, revised by an amount that does not exceed the additional deficit reduction calculated under subsection (d).''

AMENDMENT NO. 1141

At the end of title III, insert the following: ''It is the sense of the Senate that the low-priority discretionary funds to be reduced in order to offset funds restored for programs and activities of the National Institutes of Health should come from eliminating low-priority federal programs like the Space Station, and not from high-priority programs for education, food and nutrition for low-income children, anti-crime efforts, veterans programs, job training, health care, infrastructure and other such investment programs.''

LEVIN (AND SIMON) AMENDMENT NO. 1142

(Ordered to lie on the table.)

Mr. LEVIN (for himself and Mr. SIMON) submitted an amendment intended to be proposed by them to the concurrent resolution Senate Concurrent Resolution 13, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . DEFENSE OVERHEAD.

(a) FINDINGS.—The Senate finds that—

(1) the major discretionary assumptions in this concurrent budget resolution include 15 percent reduction in overhead for programs of nondefense agencies that remain funded in the budget and whose funding is not interconnected with receipts dedicated to a program;

(2) the Committee Report (104–82) on this concurrent budget resolution states that ''this assumption would not reduce funding for the programmatic activities of agencies.''

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Committees on Armed Services and Appropriations should make a reduction of at least three percent in overhead for Fiscal Year 1996 programs of defense agencies, and should do so in a manner so as not to reduce funding for the programmatic activities of these agencies.

BAUCUS AMENDMENT NO. 1143

(Ordered to lie on the table.)

Mr. BAUCUS submitted an amendment intended to be proposed by him to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 94, add after line 21 the following new section:

SEC. . SENSE OF THE SENATE REGARDING FUNDING FOR NATIONAL RAILROAD PASSENGER CORPORATION.

It is the sense of the Senate that Congress should redirect revenues resulting from the ½ cent of the excise tax rate directed by the amendments made by the Omnibus Budget Reconciliation Act of 1993 for fiscal years 1996 through 1999 to the account under subsection (e) of section 9503 of the Internal Revenue Code of 1986 to a new account under such section for grants to the National Railroad Passenger Corporation for operating expenses and capital improvements incurred by the Corporation.

BACUS (AND OTHERS) AMENDMENT NO. 1144

(Ordered to lie on the table.)

Mr. BAUCUS (for himself, Mr. INOUYE, Mr. BRYAN, Mr. SIMON, Mr. ROCKEFELLER, and Mr. BUMPERS) submitted an amendment intended to be proposed by them to the concurrent resolution Senate Concurrent Resolution 13, spra; as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING THE ESSENTIAL AIR SERVICE PROGRAM OF THE DEPARTMENT OF TRANSPORTATION.

(a) FINDINGS.—The Senate finds that—

(1) the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code—

(A) provides essential airline access to isolated rural communities across the United States;

(B) is necessary for the economic growth and development of rural communities;

(C) connects small rural communities to the national air transportation system of the United States;

(D) is a critical component of the national transportation system of the United States; and

(E) provides air service to 108 communities in 30 States; and

(2) the National Commission to Ensure a Strong Competitive Airline Industry established under section 204 of the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992 recommended maintaining the essential air service program with a sufficient level of funding to continue to provide air service to small communities.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code, should receive a sufficient level of funding to continue to provide air service to small rural communities that qualify for assistance under the program.

DOMENICI AMENDMENT NO. 1145

Mr. DOMENICI proposed an amendment to the concurrent resolution Senate Concurrent Resolution 13, supra; as follows:

On page 4, line 19, strike ''$937,800,000,000'' and insert ''$973,800,000,000''.

On page 5, line 12 strike ''comparison with the maximum deficit amount under section 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of''.

On page 6, line 8, strike ''$1,324,400,000,000'' and insert ''$1,342,400,000,000''.

On page 6, line 10 strike ''comparison with the maximum deficit amount under section 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of''.

On page 7, line 10 strike ''comparison with the maximum deficit amount under section 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of''.

On page 10, line 3, strike ''$347,700,000,000'' and insert ''$374,700,000,000''.

On page 11, line 2, strike ''2000'' and insert ''2002''.

On page 40, line 3, strike ''$1,000,000,000'' and insert ''$100,000,000''.

On page 40, line 10, strike ''$1,000,000,000'' and insert ''$100,000,000''.

On page 40, line 17, strike ''$1,000,000,000'' and insert ''$100,000,000''.

On page 40, line 24, strike ''$1,000,000,000'' and insert ''$100,000,000''.

On page 41, line 6, strike ''$1,000,000,000'' and insert ''$100,000,000''.

On page 41, line 13, strike ''$1,000,000,000'' and insert ''$100,000,000''.

On page 41, line 20, strike ''$1,000,000,000'' and insert ''$100,000,000''.

On page 64, line 14, strike ''Foreign Relations'' and insert ''Rules and Administration''.

BINGAMAN AMENDMENT NO. 1146

Mr. DOMENICI (for Mr. BINGAMAN) proposed an amendment to the concurrent resolution Senate Concurrent Resolution 13, supra; as follows:

On page 86, strike line 11 through line 25 on page 87 and insert the following:

SEC. 305. SENSE OF THE CONGRESS ON A UNIFORM ACCOUNTING SYSTEM IN THE FEDERAL GOVERNMENT AND NONPARTISAN COMMISSION ON ACCOUNTING AND BUDGETING.

(A) FINDINGS.—The Congress finds the following:

(1) Much effort has been devoted to strengthening Federal internal accounting controls in the past. Although progress has been made in recent years, there still exists no uniform Federal accounting system for Federal Government entities and institutions.

(2) As a result, Federal financial management continues to be seriously deficient, and Federal financial management and fiscal practices have failed to identify costs, failed to reflect the total liabilities of congressional actions, and failed to accurately report the financial condition of the Federal Government.

(3) Current Federal accounting practices do not adequately report financial problems of the Federal Government or the full cost of programs and activities. The continued use of these practices undermines the Government's ability to provide credible and reliable financial data, contributes to waste and inefficiency, and will not assist in achieving a balanced budget.

(4) Waste and inefficiency in Federal Government undermine the confidence of the American people in the Government and reduces the Federal Government's ability to address adequately vital public needs.

(5) To rebuild the accountability and credibility of the Federal Government and restore public confidence in the Federal Government, a uniform Federal accounting system, that fully meets the accounting standards and reporting objectives for the Federal Government, must be immediately established so that all assets and liabilities, revenues and expenditures or expenses, and the full cost of programs and activities of the Federal Government can be consistently and accurately recorded, monitored, and uniformly

reported throughout all government entities for budgeting and control and management evaluation purposes.

(b) SENSE OF THE SENATE.—It is the sense of the Congress that the assumptions underlying the functional totals in this resolution include the following assumptions:

(1) UNIFORM FEDERAL ACCOUNTING SYSTEM.—(A) A uniform Federal accounting system should be established to consistently compile financial data across the Federal Government, and to make full disclosure of Federal financial data, including the full cost of Federal programs and activities, to the citizens, the Congress, the President, and agency management.

(B) Beginning with fiscal year 1997, the President should require the heads of agencies to—

(i) implement and maintain a uniform Federal accounting system; and

(ii) provide financial statements;

in accordance with generally accepted accounting principles applied on a consistent basis and established in accordance with proposed Federal accounting standards and interpretations recommended by the Federal Accounting Standards Advisory Board and other applicable law.

(2) NONPARTISAN ADVISORY COMMISSION ON ACCOUNTING AND BUDGETING.—(A) A temporary advisory commission should be established to make objective and nonpartisan recommendations for the appropriate treatment of capital expenditures under a uniform Federal accounting system that is consistent with generally accepted accounting principles.

(B) The Commission should be appointed on a nonpartisan basis, and should be composed of public and private experts in the fields of finance, economics, accounting, and other related professions.

(C) The Commission should report to the President and the Congress by August 1, 1995, on its recommendations, and should include in its report a detailed plan for implementing such recommendations.

DOLE (AND SIMPSON) AMENDMENT NO. 1147

Mr. DOMENICI (for Mr. DOLE for himself and Mr. SIMPSON) proposed an amendment to the concurrent resolution Senate Concurrent Resolution 13, supra; as follows:

At the appropriate place insert the following new section:

SEC. . CONSIDERATION OF THE INDEPENDENT BUDGET FOR VETERANS AFFAIRS, FISCAL YEAR 1996.

(a) FINDINGS.—Congress finds as follows:

(1) Whereas over 26,000,000 veterans are eligible for veterans health care;

(2) Whereas the Veterans Heath Administration of the Department of Veterans Affairs operates the largest Federal medical care delivery system in the United States, providing for the medical care needs of our Nation's veterans'

(3) Whereas the veterans' service organizations have provided a plan, known as the Independent Budget for Veterans Affairs, to reform the veterans' health care delivery system to adapt it to the modern health care environment and improve its ability to meet the health the health care needs of veterans in a cost-effective manner;

(4) Whereas current budget proposals assume a change in the definition of service-connected veterans;

(5) Whereas proposals contained within the Independent Budget may provide improved service to veterans;

(6) Whereas budget proposals may not have fully considered the measures proposed by the veterans' service organizations in the Independent Budget.

(b) SENSE OF CONGRESS.—It is the Sense of Congress: the reforms and proposals contained within the Independent Budget for Veterans Affairs, Fiscal Year 1996 should be given careful consideration in an effort to ensure the nation's commitment to its veterans.

McCONNELL (AND OTHERS) AMENDMENT NO. 1148

Mr. McCONNELL (for himself, Mr. WARNER, Mr. ROCKEFELLER, Mr. HEFLIN, and Mr. COCHRAN) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 29, line 10, increase the amount by $100,000,000.

On page 29, line 18, increase the amount by $200,000,000.

On page 30, line 2, increase the amount by $200,000,000.

On page 30, line 3, increase the amount by $100,000,000.

On page 30, line 10, increase the amount by $200,000,000.

On page 30, line 11, increase the amount by $100,000,000.

On page 30, line 18, increase the amount by $100,000,000.

On page 30, line 19, increase the amount by $100,000,000.

On page 31, line 2, increase the amount by $100,000,000.

On page 31, line 3, increase the amount by $100,000,000.

On page 20, line 7, decrease the amount by $100,000,000.

On page 20, line 15, decrease the amount by $200,000,000.

On page 20, line 23, decrease the amount by $200,000,000.

On page 20, line 24, decrease the amount by $100,000,000.

On page 21, line 7, decrease the amount by $200,000,000.

On page 21, line 8, decrease the amount by $100,000,000.

On page 21, line 15, decrease the amount by $100,000,000.

On page 21, line 16, decrease the amount by $100,000,000.

On page 21, line 23, decrease the amount by $100,000,000.

On page 21, line 24, decrease the amount by $100,000,000.

SARBANES (AND OTHERS) AMENDMENT NO. 1149

Mr. SARBANES (for himself, Ms. MIKULSKI, Mr. WARNER, Mr. ROBB, and Mr. BINGAMAN) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 3, line 10, increase the amount by $47,000,000.

On page 3, line 11, increase the amount by $144,000,000.

On page 3, line 12, increase the amount by $197,000,000.

On page 3, line 13, increase the amount by $257,000,000.

On page 3, line 14, increase the amount by $322,000,000.

On page 3, line 15, increase the amount by $392,000,000.

On page 3, line 16, increase the amount by $412,000,000.

On page 3, line 20, increase the amount by $47,000,000.

On page 3, line 21, increase the amount by $144,000,000.

On page 3, line 22, increase the amount by $197,000,000.

On page 3, line 23, increase the amount by $257,000,000.

On page 3, line 24, increase the amount by $322,000,000.

On page 3, line 25, increase the amount by $392,000,000.

On page 4, line 1, increase the amount by $412,000,000.

On page 4, line 18, increase the amount by $47,000,000.

On page 4, line 19, increase the amount by $144,000,000.

On page 4, line 20, increase the amount by $197,000,000.

On page 4, line 21, increase the amount by $257,000,000.

On page 4, line 22, increase the amount by $322,000,000.

On page 4, line 23, increase the amount by $392,000,000.

On page 4, line 24, increase the amount by $412,000,000.

On page 5, line 4, increase the amount by $47,000,000.

On page 5, line 5, increase the amount by $144,000,000.

On page 5, line 6, increase the amount by $197,000,000.

On page 5, line 7, increase the amount by $257,000,000.

On page 5, line 8, increase the amount by $322,000,000.

On page 5, line 9, increase the amount by $392,000,000.

On page 5, line 10, increase the amount by $412,000,000.

On page 5, line 17, increase the amount by $47,000,000.

On page 5, line 18, increase the amount by $144,000,000.

On page 5, line 19, increase the amount by $197,000,000.

On page 5, line 20, increase the amount by $257,000,000.

On page 5, line 21, increase the amount by $322,000,000.

On page 5, line 22, increase the amount by $392,000,000.

On page 5, line 23, increase the amount by $412,000,000.

On page 6, line 16, increase the amount by $47,000,000.

On page 6, line 17, increase the amount by $144,000,000.

On page 6, line 18, increase the amount by $197,000,000.

On page 6, line 19, increase the amount by $257,000,000.

On page 6, line 20, increase the amount by $322,000,000.

On page 6, line 21, increase the amount by $392,000,000.

On page 6, line 22, increase the amount by $412,000,000.

On page 39, line 24, increase the amount by $47,000,000.

On page 39, line 25, increase the amount by $47,000,000.

On page 40, line 6, increase the amount by $144,000,000.

On page 40, line 7, increase the amount by $144,000,000.

On page 40, line 13, increase the amount by $197,000,000.

On page 40, line 14, increase the amount by $197,000,000.

On page 40, line 20, increase the amount by $257,000,000.

On page 40, line 21, increase the amount by $257,000,000.

On page 41, line 2, increase the amount by $322,000,000.

On page 41, line 3, increase the amount by $322,000,000.

On page 41, line 9, increase the amount by $392,000,000.

On page 41, line 10, increase the amount by $392,000,000.

On page 41, line 16, increase the amount by $412,000,000.

On page 41, line 17, increase the amount by $412,000,000.

On page 63, line 19, decrease the amount by $47,000,000.

On page 63, line 20, decrease the amount by $967,000,000.

On page 63, line 21, decrease the amount by $1,771,000,000.

At the appropriate place in the resolution insert the following:

SEC. . FEDERAL RETIREMENT.

It is the sense of the Senate that—

(a) the assumptions underlying the revenue and functional totals in this resolution assume that the Federal Retirement programs will continue to calculate retirement benefits from the average of an employee's high 3 years of service; and

(b) the restoration of the Federal Retirement benefits will be restored by closing the tax loophole which allows billionaires to escape taxes by renouncing their citizenship.

ROTH AMENDMENT NO. 1150

Mr. ROTH proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 3, line 10, increase the amount by $200,000,000.

On page 3, line 11, increase the amount by $200,000,000.

On page 3, line 12, increase the amount by $300,000,000.

On page 3, line 13, increase the amount by $300,000,000.

On page 3, line 14, increase the amount by $400,000,000.

On page 3, line 15, increase the amount by $400,000,000.

On page 3, line 16, increase the amount by $500,000,000.

On page 3, line 20, decrease the amount by $200,000,000.

On page 3, line 21, decrease the amount by $200,000,000.

On page 3, line 22, decrease the amount by $300,000,000.

On page 3, line 23, increase the amount by $300,000,000.

On page 3, line 24, increase the amount by $400,000,000.

On page 3, line 25, increase the amount by $400,000,000.

On page 4, line 1, increase the amount by $500,000,000.

On page 4, line 18, increase the amount by $200,000,000.

On page 4, line 19, increase the amount by $200,000,000.

On page 4, line 20, increase the amount by $300,000,000.

On page 4, line 21, increase the amount by $300,000,000.

On page 4, line 22, increase the amount by $400,000,000.

On page 4, line 23, increase the amount by $400,000,000.

On page 4, line 24, increase the amount by $500,000,000.

On page 5, line 4, decrease the amount by $200,000,000.

On page 5, line 5, decrease the amount by $200,000,000.

On page 5, line 6, decrease the amount by $300,000,000.

On page 5, line 7, increase the amount by $300,000,000.

On page 5, line 8, increase the amount by $400,000,000.

On page 5, line 9, increase the amount by $400,000,000.

On page 5, line 10, decrease the amount by $500,000,000.

On page 5, line 19, increase the amount by $1,400,000,000.

On page 5, line 22, increase the amount by $900,000,000.

On page 6, line 5, increase the amount by $1,400,000,000.

On page 6, line 8, increase the amount by $900,000,000.

On page 6, line 18, increase the amount by $1,400,000,000.

On page 6, line 21, increase the amount by $900,000,000.

On page 7, line 5, increase the amount by $1,400,000,000.

On page 7, line 8, increase the amount by $900,000,000.

On page 7, line 15, decrease the amount by $200,000,000.

On page 7, line 16, decrease the amount by $200,000,000.

On page 7, line 17, increase the amount by $1,100,000,000.

On page 7, line 18, decrease the amount by $300,000,000.

On page 7, line 19, decrease the amount by $400,000,000.

On page 7, line 20, increase the amount by $500,000,000.

On page 7, line 21, decrease the amount by $500,000,000.

On page 8, line 1, decrease the amount by $200,000,000.

On page 8, line 2, decrease the amount by $200,000,000.

On page 8, line 3, increase the amount by $1,100,000,000.

On page 8, line 4, decrease the amount by $300,000,000.

On page 8, line 5, decrease the amount by $400,000,000.

On page 8, line 6, increase the amount by $500,000,000.

On page 8, line 7, decrease the amount by $500,000,000.

On page 20, line 15, increase the amount by $1,400,000,000.

On page 20, line 16, increase the amount by $1,400,000,000.

On page 21, line 15, increase the amount by $900,000,000.

On page 21, line 16, increase the amount by $900,000,000.

On page 62, line 14, decrease the amount by $1,400,000,000.

On page 62, line 15, decrease the amount by $2,300,000,000.

EXON (AND OTHERS) AMENDMENT NO. 1151

Mr. EXON (for himself, Mr. DASCHLE, Mr. CONRAD and Mr. WELLSTONE) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 74 strike lines 12 through 24 and insert the following: "budget, the revenue and spending aggregates may be revised and other appropriate budgetary aggregates and levels may be revised to reflect the additional deficit reduction achieved as calculated under subsection (c) for legislation that reduces revenues, and for legislation that will provide $15,000,000,000 in outlays to the Committee on Agriculture, Nutrition, and Forestry for the purpose of restoring outlay reductions required of that committee pursuant to section 6 of this Resolution.

(b) Revised Allocations and Aggregates—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chair of the Committee on the Budget of the Senate may submit to the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974; budgetary aggregates; and levels under this resolution, revised by an amount that does not exceed the additional deficit reduction specified under subsection (d)."

COVERDELL AMENDMENT NO. 1152

Mr. COVERDELL proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING THE COSTS OF THE NATIONAL VOTER REGISTRATION ACT OF 1993.

It is the sense of the Senate that within the assumptions under budget function 800 funds will be spent for reimbursement to the States for the costs of implementing the National Voter Registration Act of 1993.

KERRY AMENDMENT NO. 1153

Mr. KERRY proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 64, strike lines 17 through 19 and insert the following: "$2,000,000 in fiscal year 1996, $37,000,000 for the period of fiscal years 1996 through 2000, and $72,000,000 for the period of fiscal years 1996"

On page 66, line 6, decrease the amount by $70,000,000.

On page 66, line 13, decrease the amount by $70,000,000.

On page 66, line 14, decrease the amount by $28,000,000.

On page 66, line 20, decrease the amount by $70,000,000.

On page 66, line 21, decrease the amount by $215,000,000.

On page 67, line 2, decrease the amount by $70,000,000.

On page 67, line 3, decrease the amount by $4,000,000.

On page 67, line 9, decrease the amount by $70,000,000.

MCCONNELL AMENDMENT NO. 1154

Mr. MCCONNELL proposed an amendment to amendment No. 1154 proposed by Mr. KERRY to the concurrent resolution Senate Concurrent Resolution 12, supra; as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE.

It is the sense of the Senate that the assumptions underlying function 800 include the following: that payments to presidential campaigns from the Presidential Election Campaign Fund, as authorized by the Federal Election Campaign Act of 1974, should not be used for or augment damage awards or settlements arising from a civil or criminal action, or the threat thereof, related to sexual harassment.

GLENN (AND SIMON) AMENDMENT NO. 155

Mr. EXON (for Mr. GLENN, for himself and Mr. SIMON) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 79, strike lines 1 through 3.

DOMENICI (AND GRASSLEY) AMENDMENT NO. 1156

Mr. DOMENICI (for himself and Mr. GRASSLEY) proposed an amendment to

the concurrent resolution, Senate Congressional Resolution 13, supra; as follows:

In lieu of the language proposed to be stricken insert the following:

SEC. 209. REPEAL OF IRS ALLOWANCE.

(a) Section 25 of House Concurrent Resolution 218 (103d Congress, 2d Session) is repealed.

(b) It is the sense of the Senate that the revenue levels contained in the budget resolution should assume passage of the ''Taxpayers Bill of Rights 2'' and that the Senate should pass the Taxpayers Bill of Rights 2 this Congress.

(c) It is the sense of the Senate that funding for tax compliance efforts should be a top priority and that the assumptions underlying the functional totals in this resolution include the administration's full request for the Internal Revenue Service.

GLENN AMENDMENT NO. 1157

Mr. GLENN proposed an amendment to amendment No. 1156 proposed by Mr. DOMENICI to the concurrent resolution, Senate Congressional Resolution 13, supra; as follows:

In the pending amendment, strike lines 1–3.

BOXER (AND OTHERS) AMENDMENT NO. 1158

Mr. EXON (for Mrs. BOXER, Mrs. MURRAY, Mr. LAUTENBERG, and Mrs. FEINSTEIN) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

At the appropriate place add the following: ''It is the sense of Congress that no Member of Congress may use campaign funds to defend against sexual harassment lawsuits.''

DOLE AMENDMENT NO. 1159

Mr. DOLE proposed an amendment to amendment No. 1158 proposed by Mrs. BOXER to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

In the pending amendment, strike all after the words ''it is the Sense of the Congress'' and insert the following: ''that no Member of Congress or the Executive Branch may use campaign funds or privately donated funds to defend against sexual harassment lawsuits.''

EXON AMENDMENT NO. 1160

Mr. EXON proposed an amendment to the concurrent resolution Senate Concurrent Resolution 13, supra; as follows:

On page 63, strike beginning with line 8, through page 65, line 5, and insert the following: ''The Senate Committee on Finance shall report changes in laws within its jurisdiction that increase the statutory limit on the public debt to the amount set forth for the public debt for fiscal year 1996 in section 2(5), of this resolution.

''(8) COMMITTEE ON FOREIGN RELATIONS.—The Senate Committee on Foreign Relations shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $0 in fiscal year 1996, $0 for the period of fiscal years 1996 through 2000, and $0 for the period of fiscal years 1996 through 2002.

''(9) COMMITTEE ON GOVERNMENTAL AFFAIRS.—The Senate Committee on Governmental Affairs shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $118,000,000 in fiscal year 1996, $3,023,000,000 for the period of fiscal years 1996 through 2000, and $6,871,000,000 for the period of fiscal years 1996 through 2002.

''(10) COMMITTEE ON THE JUDICIARY.—The Senate Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $119,000,000 in fiscal year 1996, $923,000,000 for the period of fiscal years 1996 through 2000, and $1,483,000,000 for the period of fiscal years 1996 through 2002.

''(11) COMMITTEE ON LABOR AND HUMAN RESOURCES.—The Senate Committee on the Labor and Human Resources shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $1,141,000,000 in fiscal year 1996, $9,165,000,000 for the period of fiscal years 1996 through 2000, and $13,795,000,000 for the period of fiscal years 1996 through 2002.

''(12) COMMITTEE ON RULES AND ADMINISTRATION.—The Senate Committee on Rules and Administration shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $2,000,000 in fiscal year 1996, $280,000,000 for the period of fiscal years 1996 through 2000, and $319,000,000 for the period of fiscal years 1996 through 2002.

''(13) COMMITTEE ON VETERANS' AFFAIRS.—The Senate Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $301,000,000 in fiscal year 1996, $5,760,000,000 for the period of fiscal years 1996 through 2000, and $10,002,000,000 for the period of fiscal years 1996 through 2002.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

SEC. 200. LIMITING INCREASES IN THE STATUTORY LIMIT ON THE PUBLIC DEBT.

(a) RECONCILIATION DIRECTIVES WITH RESPECT TO PUBLIC DEBT LIMIT.—

(1) BUDGET RESOLUTION.—Any concurrent resolution on the budget for a fiscal year that contains directives of the type described in paragraph (1) or (2) of section 310(a) of the Congressional Budget Act of 1974 for such fiscal year shall also include a directive of the type described in paragraph (3) of that subsection for that fiscal year.

(2) RECONCILIATION.—Any change in the statutory limit on the public debt that is recommended pursuant to a directive of the type described in paragraph (3) of section 310(a) shall be included in the reconciliation legislation reported pursuant to section 310 (b) for that fiscal year.

(b) POINT OF ORDER.—

(1) IN GENERAL.—

(A) Notwithstanding any other rule of the Senate, except as provided in subparagraph (B), it shall not be in order in the Senate to consider any bill or joint resolution (or any amendment thereto or conference report thereon) that increases the statutory limit on the public debt during a fiscal year above the level set forth as appropriate for such fiscal year in the concurrent resolution on the budget for such fiscal year agreed to under section 301 of the Congressional Budget Act of 1974.

(B) Subparagraph (A) shall not apply to any reconciliation resolution reported pursuant to section 310(b) of the Congressional Budget Act of 1974 during any fiscal year (or any conference report thereon) that contains a provision that—

(i) increases the statutory limit on the public debt pursuant to a directive of the type described in section 310(a)(3) of such Act; and

(ii) becomes effective on or after the first day of the following fiscal year.

(2) PROHIBITION ON STRIKING PROPER DEBT LIMIT CHANGES.—Notwithstanding any other rule of the Senate, it shall not be in order in the Senate to consider any amendment to a reconciliation bill or resolution that would strike a provision reported pursuant to a directive of the type described in section 310(a)(3) of the Congressional Budget Act of 1974.

(3) WAIVERS.—This section may be waived or suspended in the Senate by a roll call vote of a majority of the Members, duly chosen and sworn.

(c) EXERCISE OF RULEMAKING POWERS.—The Senate adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate, and as such they shall be considered as part of the rules of the Senate, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of the Senate to change those rules (so far as they relate to the Senate) at any time, in the same manner, and to the same extent as in the case of any other rule of the Senate.

MOYNIHAN AMENDMENT NO. 1161

Mr. EXON (for Mr. MOYNIHAN) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 74, strike lines 12 through 24 and insert the following: ''budget, the appropriate budgetary allocations, aggregates, and levels shall be revised to reflect $55,000,000,000 in budget authority and outlays of the additional deficit reduction achieved as calculated under subsection (c) for legislation that retains AFDC as a Federal entitlement and restores budget authority and outlays for other income security programs.

''(b) REVISED ALLOCATIONS AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chair of the Committee on the Budget of the Senate may submit to the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974, budgetary aggregates, and levels under this resolution, revised by an amount that does not exceed the additional deficit reduction specified under subsection (d).''.

BINGAMAN (AND OTHERS) AMENDMENT NO. 1162

Mr. EXON (for Mr. BINGAMAN, for himself, Mr. LIEBERMAN, Mr. ROCKEFELLER, Mr. BIDEN, Mr. HOLLINGS, Mr. BYRD, Mr. KERRY, Mr. DODD, Mr. PRYOR, and Mr. GLENN) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

At the end of the concurrent resolution, add the following:

SEC. . SENSE OF THE SENATE ON THE IMPORTANCE OF RESEARCH, TECHNOLOGY, AND TRADE PROMOTION AND TRADE LAW ENFORCEMENT PROGRAMS.

(a) FINDINGS.—The Senate finds that—

(1) the public welfare, economy, and national security of the United States have benefited enormously from the investments the Federal Government has made over the past fifty years in research, technology, and trade promotion and trade law enforcement;

(2) these investments are even more important at the dawn of the twenty-first century

in order to ensure that future generations of Americans can remain at the forefront of exploring the endless scientific and technological frontier in the face of ever greater challenges from abroad and thereby maintain and improve their health, standard of living, and national security; and

(3) enforcement of United States trade laws and promotion of United States exports, especially programs in support of small and medium sized businesses, serve an invaluable function in creating jobs, promoting national economic growth, and allowing American workers and businesses to have the resources to compete in an ever more competitive global economy.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that, in the assumptions for the overall accounts, it is assumed that—

(1) in allocating discretionary spending in fiscal years 1996 through 2002 within the discretionary spending limits established in section 201, the Committee on Appropriations will make it a high priority to maintain the overall fiscal year 1995 investment level (without adjustment for inflation) in research, technology and trade promotion, and trade law enforcement programs; and

(2) the conferees on the concurrent budget resolution will not agree to any revenue reductions below current law unless the discretionary spending limit established in the conference report will permit the Committee on Appropriations to achieve the goal established in paragraph (1).

MURRAY AMENDMENT NO. 1163

Mr. EXON (for Mrs. MURRAY) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 79, between lines 3 and 4, insert the following:

SEC. . PROHIBITION OF LEGISLATION THAT WOULD DEPRIVE CHILDREN OF THEIR HEALTH INSURANCE UNDER MEDICAID.

(a) POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, resolution, amendment, motion, or conference report that would cause children eligible to receive benefits under Medicaid (whether currently or in the future) to lose any of those benefits.

(b) WAIVER.—This section may be waived or suspended in the Senate by a majority vote of the Members voting, a quorum being present, or by the unanimous consent of the Senate.

(c) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to this section shall be limited to 1 hour, to be equally divided between and controlled by, the appellant and the manager of the bill or resolution, as the case may be. An affirmative vote of a majority of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this provision.

(d) CONGRESSIONAL BUDGET OFFICE REPORTS.—Whenever the Director of the Congressional Budget Office prepares a report pursuant to section 308 of the Congressional Budget Act of 1974 in connection with a bill, resolution, or conference report that the Director believes would cause children eligible to receive benefits under Medicaid (whether currently or in the future) to lose any of those benefits, the Director shall so state in that report and, to the extent practicable, shall include an estimate of the number of children eligible to receive benefits under Medicaid (whether currently or in the future) who would lose any of those benefits as a result of that legislation.

(e) ESTIMATES.—Solely for the purposes of enforcement of this section in the Senate, the number of children eligible to receive benefits under Medicaid shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

MURRAY (AND OTHERS) AMENDMENT NO. 1164

Mr. EXON (for Mrs. MURRAY for herself, Mr. DASCHLE, Mr. PRESSLER, Mr. AKAKA, Mrs. HUTCHISON, Mr. LEVIN, Mr. BINGAMAN, Mr. PELL, Mr. DORGAN, Mr. BAUCUS, Mr. KERREY, Mr. EXON, Mrs. KASSEBAUM, and Mr. KEMPTHORNE) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

At the end of title III, insert the following:

SEC. . SENSE OF THE SENATE.

(A) FINDINGS.—The Senate finds as follows:

(1) In order to fulfill its responsibility to communities that were adversely affected by Federal activities, the Congress established the Impact Aid program in 1950.

(2) The Impact Aid program is intended to ease the burden on local school districts for educating children who live on Federal property. Since Federal property is exempt from local property taxes, such districts are denied the primary source of revenue used to finance elementary and secondary education. Most Impact Aid payments are made for students whose parents are in the uniformed services, or for students who reside on Indian lands or in federally subsidized low-rent housing projects. Over 1,600 local educational agencies enrolling over 17,000,000 children are provided assistance under the Impact Aid program.

(3) The Impact Aid program is one of the few Federal education programs where funds are sent directly to the school district. Such funds go directly into the general fund and may be used as the local educational agency decides.

(4) The Impact Aid program covers less than half of what it costs to educate each federally connected student in some school districts, requiring local school districts or States to provide the remainder.

(5) Added to the burden described in paragraph (4) is the fact that some States do not rely upon an income tax for State funding of education. In these cases, the loss of property tax revenue makes State and local education funding even more difficult to obtain.

(6) Given the serious budget constraints facing State and local governments it is critical that the Federal Government continue to fulfill its responsibility to the federally impacted school districts in our Nation's States.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that in the assumptions for the overall accounts it is assumed that—the Federal Government has a financial responsibility to schools in our Nation's communities which are adversely affected by Federal activities and that funding for such responsibilities should not be reduced or eliminated.

PELL AMENDMENT NO. 1165

Mr. EXON (for Mr. PELL) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

At the end of title III, insert the following:

SEC. . STUDENT LOAN CUTS.

(a) FINDINGS.—The Senate finds that—

(1) in the 20th century, educational increases in the workforce accounted for 30 percent of the growth in our Nation's wealth, and advances in knowledge accounted for 55 percent of such growth;

(2) the Federal Government provides 75 percent of all college financial aid;

(3) the Federal student loan program was created to make college accessible and affordable for the middle class;

(4) increased fees and interest costs discourage college participation by making higher education more expensive, and more of a risk, for students and their families;

(5) full-time students already work an average of 25 hours per week, taking time away from their studies; and

(6) student indebtedness is already increasing rapidly, and any reduction of the in-school interest subsidy will increase the indebtedness burden on students and families.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume the Labor and Human Resources Committee, in seeking to achieve mandatory savings, should not increase the cost of borrowing for students participating in the Robert T. Stafford Federal Student Loan Program.

LAUTENBERG (AND OTHERS) AMENDMENT NO. 1166

Mr. EXON (for Mr. LAUTENBERG, for himself, Mr. ROCKEFELLER, Mrs. MURRAY, Mr. HARKIN, Mr. WELLSTONE, Mr. REID, Mr. DASCHLE, and Ms. MIKULSKI) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 3, line 10, increase the amount by $47,000,000.

On page 3, line 11, increase the amount by $144,000,000.

On page 3, line 12, increase the amount by $197,000,000.

On page 3, line 13, increase the amount by $257,000,000.

On page 3, line 14, increase the amount by $322,000,000.

On page 3, line 15, increase the amount by $392,000,000.

On page 3, line 16, increase the amount by $412,000,000.

On page 3, line 20, increase the amount by $47,000,000.

On page 3, line 21, increase the amount by $144,000,000.

On page 3, line 22, increase the amount by $197,000,000.

On page 3, line 23, increase the amount by $257,000,000.

On page 3, line 24, increase the amount by $322,000,000.

On page 3, line 25, increase the amount by $392,000,000.

On page 4, line 1, increase the amount by $412,000,000.

On page 4, line 18, increase the amount by $47,000,000.

On page 4, line 19, increase the amount by $144,000,000.

On page 4, line 20, increase the amount by $197,000,000.

On page 4, line 21, increase the amount by $257,000,000.

On page 4, line 22, increase the amount by $322,000,000.

On page 4, line 23, increase the amount by $392,000,000.

On page 4, line 24, increase the amount by $412,000,000.

On page 5, line 4, increase the amount by $47,000,000.

On page 5, line 5, increase the amount by $144,000,000.

On page 5, line 6, increase the amount by $197,000,000.

On page 5, line 7, increase the amount by $257,000,000.

On page 5, line 8, increase the amount by $322,000,000.

On page 5, line 9, increase the amount by $392,000,000.
On page 5, line 10, increase the amount by $412,000,000.
On page 5, line 17, increase the amount by $47,000,000.
On page 5, line 18, increase the amount by $144,000,000.
On page 5, line 19, increase the amount by $197,000,000.
On page 5, line 20, increase the amount by $257,000,000.
On page 5, line 21, increase the amount by $322,000,000.
On page 5, line 22, increase the amount by $392,000,000.
On page 5, line 23, increase the amount by $412,000,000.
On page 6, line 16, increase the amount by $47,000,000.
On page 6, line 17, increase the amount by $144,000,000.
On page 6, line 18, increase the amount by $197,000,000.
On page 6, line 19, increase the amount by $257,000,000.
On page 6, line 20, increase the amount by $322,000,000.
On page 6, line 21, increase the amount by $392,000,000.
On page 6, line 22, increase the amount by $412,000,000.
On page 43, line 24, increase the amount by $47,000,000.
On page 43, line 25, increase the amount by $47,000,000.
On page 44, line 7, increase the amount by $144,000,000.
On page 44, line 8, increase the amount by $144,000,000.
On page 44, line 15, increase the amount by $197,000,000.
On page 44, line 16, increase the amount by $197,000,000.
On page 44, line 23, increase the amount by $257,000,000.
On page 44, line 24, increase the amount by $257,000,000.
On page 45, line 7, increase the amount by $322,000,000.
On page 45, line 8, increase the amount by $322,000,000.
On page 45, line 15, increase the amount by $392,000,000.
On page 45, line 16, increase the amount by $392,000,000.
On page 45, line 23, increase the amount by $412,000,000.
On page 45, line 24, increase the amount by $412,000,000.
On page 64, line 24, decrease the amount by $47,000,000.
On page 64, line 25, decrease the amount by $967,000,000.
On page 65, line 2, decrease the amount by $1,771,000,000.

McCAIN (AND BROWN) AMENDMENT NO. 1167

Mr. DOMENICI (for McCAIN for himself and Mr. BROWN) proposed an amendment to amendment No. 1166 proposed by Mr. LAUTENBERG to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

In lieu of the matter proposed, insert the following:
On page 3, line 10, increase the amount by $0.
On page 3, line 11, increase the amount by $0.
On page 3, line 12, increase the amount by $0.
On page 3, line 13, increase the amount by $0.
On page 3, line 14, increase the amount by $0.
On page 3, line 15, increase the amount by $0.
On page 3, line 16, increase the amount by $0.
On page 3, line 20, increase the amount by $0.
On page 3, line 21, increase the amount by $0.
On page 3, line 22, increase the amount by $0.
On page 3, line 23, increase the amount by $0.
On page 3, line 24, increase the amount by $0.
On page 3, line 25, increase the amount by $0.
On page 4, line 1, increase the amount by $0.
On page 4, line 18, increase the amount by $0.
On page 4, line 19, increase the amount by $0.
On page 4, line 20, increase the amount by $0.
On page 4, line 21, increase the amount by $0.
On page 4, line 22, increase the amount by $0.
On page 4, line 23, increase the amount by $0.
On page 4, line 24, increase the amount by $0.
On page 5, line 4, increase the amount by $0.
On page 5, line 5, increase the amount by $0.
On page 5, line 6, increase the amount by $0.
On page 5, line 7, increase the amount by $0.
On page 5, line 8, increase the amount by $0.
On page 5, line 9, increase the amount by $0.
On page 5, line 10, increase the amount by $0.
On page 5, line 17, increase the amount by $0.
On page 5, line 18, increase the amount by $0.
On page 5, line 19, increase the amount by $0.
On page 5, line 20, increase the amount by $0.
On page 5, line 21, increase the amount by $0.
On page 5, line 22, increase the amount by $0.
On page 5, line 23, increase the amount by $0.
On page 6, line 16, increase the amount by $0.
On page 6, line 17, increase the amount by $0.
On page 6, line 18, increase the amount by $0.
On page 6, line 19, increase the amount by $0.
On page 6, line 20, increase the amount by $0.
On page 6, line 21, increase the amount by $0.
On page 6, line 22, increase the amount by $0.
On page 43, line 24, increase the amount by $0.
On page 43, line 25, increase the amount by $0.
On page 44, line 7, increase the amount by $0.
On page 44, line 8, increase the amount by $0.
On page 44, line 15, increase the amount by $0.
On page 44, line 16, increase the amount by $0.
On page 44, line 23, increase the amount by $0.
On page 44, line 24, increase the amount by $0.
On page 45, line 7, increase the amount by $0.
On page 45, line 8, increase the amount by $0.
On page 45, line 15, increase the amount by $0.
On page 45, line 16, increase the amount by $0.
On page 45, line 23, increase the amount by $0.
On page 45, line 24, increase the amount by $0.
On page 64, line 24, decrease the amount by $0.
On page 64, line 25, decrease the amount by $0.
On page 65, line 2, decrease the amount by $0.

SEC. . SENSE OF THE SENATE.

It is the Sense of the Senate that the assumptions underlying the functional totals in this resolution include that the increased revenues resulting from the revision of the expatriate tax loophole should be used to eliminate the earnings penalty imposed on low and middle income senior citizens receiving social security.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, May 24, 1995, to conduct a hearing on the impact of the peso devaluation and the administration's aid package on the banking system and economy of Mexico.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Wednesday, May 24, 1995 session of the Senate for the purpose of conducting an oversight hearing on international aviation policy.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, May 24, 1995, for purposes of conducting a Full Committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this meeting is to consider pending calendar business.

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

COMMITTEE ON FINANCE

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Finance Committee be permitted to meet Wednesday, May 24, 1995, in room 215 of the Dirksen Senate Office Building, beginning at 9:30 a.m., to conduct a mark

up on H.R. 4, the Personal Responsibility Act of 1995.

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

COMMITTEE OF FOREIGN RELATIONS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, May 24, 1995, at 10:30 a.m.

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

COMMITTEE ON THE JUDICIARY

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, May 24, 1995 at 2:00 p.m. to hold a hearing on ''The Clinton Administration's Counter-Terrorism Intelligence Gathering Proposals.''

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for an Executive Session, during the session of the Senate on Wednesday, May 24, 1995, at 9:30 a.m.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, May 24, 1995, at 2:00 p.m. to hold a closed hearing on Intelligence matters.

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

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT AND THE DISTRICT OF COLUMBIA

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management and the District of Columbia, Committee on Governmental Affairs, be permitted to meet during a session of the Senate on Wednesday, May 24, 1995, at 9:30 a.m., to hold a hearing on Aviation Safety: Do Unapproved Parts Pose a Safety Risk?

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

SUBCOMMITTEE ON RESEARCH, NUTRITION AND GENERAL LEGISLATION

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry Subcommittee on Research, Nutrition, and General Legislation be allowed to meet during the session of the Senate on Wednesday, May 24, at 10 a.m., in SR–332, to discuss research and the future of U.S. agriculture.

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

ADDITIONAL STATEMENTS

U.S. CONFERENCE OF MAYORS' COMMITMENT TO MAINTAINING GUN CONTROL LAWS

• Mr. SIMON. Mr. President, I would like to commend the U.S. Conference of Mayors for their May 16 letter restating their commitment to maintaining the Nation's gun control laws. I share their opposition to any efforts to weaken current laws, and I am particularly pleased with their restated commitment to the assault weapons ban.

Some people have called for the repeal of the assault weapons ban, even before it has an opportunity to demonstrate its effectiveness. These are the same people who argued that these weapons, which law enforcement officials have testified serve no purpose other than to kill as many human beings as quickly as possible, are legitimate products with a specially protected status in our society. I disagree with this conclusion.

In the aftermath of the tragic bombing in Oklahoma City, the push to repeal the ban has temporarily eased. When exposed to the scrutiny of the public eye, the absurdity of the effort to repeal the ban is exposed and the American public has had no trouble recognizing the inherent inconsistency of responding to terrorism by loosening common sense measures to stem the flow of weapons into our communities.

I am pleased that the Senate will not be considering a repeal of the assault weapons ban, or any other gun control initiatives, in the short run. However, the efforts to repeal these measures need to be permanently removed from Congresses' agenda.

Those who call for the repeal of gun control laws do not base their objections on substantive flaws with the measure, for when given an opportunity they have proven their worth. During its first year, the Brady law has made an impressive contribution to crime-fighting efforts. The International Association of Chiefs of Police (IACP) reported on the 1-year anniversary of the Brady laws, implementation that in 27 of the States which did not previously meet Brady's requirements, 19,098 prohibited people were denied from purchasing a firearm. And although there is no national reporting requirement, the Bureau of Alcohol, Tobacco and Firearms estimates that background checks in the past year have stopped 70,000 convicted felons and other prohibited persons from purchasing weapons.

In addition to fulfilling its primary aim: to stop felons from buying guns, the Brady law has assisted law enforcement officials in other ways. In Georgia, one sheriff reported that out of the 60 people denied weapons as a result of the Brady check in the first year, 15 had outstanding felony warrants and 15 arrests were made. Brady checks helped police in San Antonio, TX catch a suspected drug dealer, and it also led to the arrest of a man in South Carolina who was wanted for assaulting a police officer in Florida.

The assault weapons ban should also be given an opportunity to demonstrate its effectiveness.

The only way to resist the push to repeal these important laws is for the public to join this debate and make its views known. The U.S. conference of Mayors has once again joined the chorus of voices supporting our Nation's gun control laws, and I greatly appreciate their participation in this important debate.•

TRIBUTE TO MARGARET SWIEZYNSKI

• Mr. GREGG. Mr. President, today I rise to commend a distinguished citizen of New Hampshire, Margaret Swiezynski, for her many years of outstanding service to the Republican Party of New Hampshire and her community.

Margaret has dedicated her life to her family and in her spare time has selflessly given her time to the Republican Party. Her commitment and dedication to her community are to be commended and her involvement in the VFW, Lioness Club, and the local St. Patrick's Church has been instrumental in shaping her community.

Over the years, Margaret has seen many Presidential candidates come and go in New Hampshire, from President Nixon to President Bush. As always, Margaret played a key role in welcoming these candidates to our State and contributed to New Hampshire's reputation for being a key stop for everyone on the road to higher office. It is citizens like Margaret whose commitment and allegiance make New Hampshire such a special place to live and her many years of service should be applauded and certainly not go unnoticed.

Margaret is the proud mother and grandmother of three children and six grandchildren and her commitment is another example of her dedication to family and community. It is a characteristic that can be cherished by her family and Milford, NH, her home of over 40 years.

I, along with all the members of the New Hampshire Republican Party and the citizens of Milford, NH, whose lives Margaret has touched through her loyalty and devotion, would like to extend a heartfelt thanks and wish her all the best in her future endeavors.•

JAMES MADISON COMMEMORATIVE COIN ACT

Mr. ROBB. Mr. President, I rise today in support of the James Madison Commemorative Coin Act, which I joined my senior colleague from Virginia, Senator WARNER, in introducing on May 19, 1995.

This legislation requires the Secretary of the Treasury to issue a coin in the year 2001 commemorating the

250th birthday of James Madison and honoring his many accomplishments. The surcharges raised from the selling of the coins goes to the National Trust for Historic Preservation for the creation of a permanent fund for the preservation and renovation of Madison's home, Montpelier.

This is an important endeavor, Mr. President, because James Madison is one of our nation's most brilliant and significant founding fathers. A Virginian and a distinguished statesman, Madison was the principle drafter of the United States Constitution and the Bill of Rights. He served his country as the fourth President the United States.

His home, Montpelier, is located in Orange County, Virginia, not far from his friend Thomas Jefferson's Monticello.

It is extremely important, Mr. President, that we act today to both honor James Madison's 250th birthday and to create a permanent fund for the preservation of Montpelier. Doing so will ensure that Madison's legacy is sustained for future generations of the great nation he helped create.

I urge my colleagues to support this important legislation.

HONORING SOUTHEAST GUILFORD HIGH SCHOOL

• Mr. FAIRCLOTH. Mr. President, it is a pleasure and a privilege for me to rise today on the floor of the Senate to honor the accomplishments of Southeast Guilford High School. This group of young people and educator from Greensboro, NC, made it to the national finals in the recent 1995, ''We The People . . . The Citizen and the Constitution'' national competition held in Washington, DC, April 29–May 1. These outstanding young people competed against 49 other classes from throughout the Nation and demonstrated a remarkable understanding of the fundamental ideals and values of American constitutional government. The accomplishments of Christine Youmans, educator, and students Laurie Camp, Ivan Canada, Keith Cockerham, Kamyra Crawford, Joshua Curtiss, Crystal Delgado, Matthew Fulton, Terri Galinski, Kristin Gerner, Allison Gillus, Brent Gonet, Andrew Hamilton, Toby Kennedy, Jennifer Lee, Sara Manning, Brandon McGinnis, Jennifer Michael, Hope Moorman, Lanae Muse, Daniele Neese, Megan Randall, Aisha Rawlins, Christy Shaffer, Zachary Smith, and Mary Sullivan, are appreciated by myself and their home State of North Carolina.•

OKINAWAN KARATE-DO IN MASSACHUSETTS

• Mr. KERRY. Mr. President, Massachusetts is proud to be home to the North American Okinawan Karate-Do Association. Early in this century, Kanbum Uechi studied this ancient art on the mainland of China where it was first developed. Returning to his homeland of Okinawa, he introduced it there in 1910 and was the first master of the Okinawan Karate-Do system.

In 1956, for the first time, American servicemen were accepted as students in the Okinawan Karate-Do schools. One of them settled in the Boston area after his military discharge and began teaching this art form to people in the area. Walter Mattson of Framingham, MA, is the senior American instructor.

Over the years, there has been a continuing cultural exchange between the Masters on Okinawa and practitioners here in North America. Mr. Mattson is primarily responsible for this 35-year exchange program. This summer, Senior Instructor Peter McCrae from Plymouth, MA, will be studying on Okinawa with Master Shintoku Takara.

Many Americans have found in Okinawan Karate-Do a physical and mental discipline which promotes positive attitudes, good health, and self-mastery. Our young people have found in it an alternative to the streets and, in its instructors, positive role models. We are grateful for this Japanese import and we hope that this positive exchange between our two countries continues for many years.•

WILMER JONES-HAM RECEIVES MAHALIA JACKSON AWARD

• Mr. LEVIN. Mr. President, I would like to recognize the recent achievement of Wilmer Jones-Ham. On April 1, 1995 she received the Mahalia Jackson award for community service. Wilmer Jones-Ham is a dedicated woman who commits great energy to develop a sense of hope in youth, the under or unemployed, and homeless in the Saginaw community. She is the founder of the Saginaw Soul Children's Choir, the Saginaw Interdenominational Gospel Music Workshop, and the First Mayor's Scholarship Black and Gold Ball. She has been a teacher for more than 17 years and developed an after school program at her home to help students who need additional instruction in their subjects. It is my honor to congratulate and thank her for all her accomplishments.•

APPOINTMENTS BY MAJORITY AND MINORITY LEADERS

The PRESIDING OFFICER. The Chair, on behalf of the Majority and Minority Leaders of the Senate and the Speaker and Minority Leader of the House of Representatives, pursuant to Public Law 104–1, announces the joint appointment of the following individuals as members of the Board of Directors of the Office of Compliance: Glen D. Nager, of Washington, D.C., for a term of 5 years and to serve as Chair; Virginia A. Seitz, of Washington, D.C., for a term of 5 years; Jerry M. Hunter, of Missouri, for a term of 4 years; James N. Adler, of California, for a term of 4 years; and Lawrence Z. Lorber, of Washington, D.C., for a term of 3 years.

A RETROSPECT OF V-E DAY

Mr. COCHRAN. Mr. President, an issue of the journal entitled Uniformed Services Journal, May-June 1995, contains an article entitled, ''World War II Revisited: A Retrospect Of V-E Day and the Events Leading Up To It.''

The article includes recollections of some of the distinguished Members of the Congress who participated in World War II, among them Senator STROM THURMOND, Senator BOB DOLE, Senator DANIEL INOUYE, Congressmen TOM BEVILL, SAM GIBBONS, SONNY MONTGOMERY, and others.

It is an excellent reminiscence of their experiences and their views about the significance of V-E Day and their personal involvement in the events leading up to that occasion.

I ask unanimous consent that a copy of the article from the Uniformed Services Journal be printed in the RECORD.

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

WORLD WAR II REVISITED: A RETROSPECT OF V–E DAY AND THE EVENTS LEADING UP TO IT

(By Cathy Lumsden)

World War II (WW II) represents many things to many people. It represents sacrifice, freedom and hope for a better tomorrow. The road to freedom was paved with death and destruction. Many of you are familiar with Jim Pennington's stories of WW II at retiree recognition programs, chapter events and in the *USJ*, some more than once. But these stories and memories that follow are more than just stories. In today's climate of historical revisionism and political correctness, they remain as one of the few accurate eye-witness accounts of the making of American history in the Great War that literally saved the world. We cannot forget why we fought WWII, ''the war to end all wars'' or the men and women who fought the war. The thoughts and feelings that follow are real. Take the time to read and understand the contributions these Americans made in the fight for freedom.

SENATOR STROM THURMOND

Sen. Thurmond was serving as a Circuit Judge in his home state when war was declared on Germany. On that day, he called President Roosevelt and volunteered, even though he was exempted from service. Approximately a year later in 1943, LTC Thurmond, USA was a member of the 82nd Airborne Division assigned to First Army Headquarters in Europe. He is the only Senator still serving in Congress who participated in the Normandy Invasion on D–Day.

He was one of three men who volunteered to land in Normandy aboard a glider. The fire was so heavy that his glider was forced to go north to find a safer spot to land. Instead of it getting safer, it got worse. The glider landed in an apple orchard nearby. He was injured in the landing in the forehead, hand and knee. However, LTC Thurmond still joined the rest of the forces in the subsequent battles of the Invasion. LTC Thurmond would have preferred to have jumped but there wasn't sufficient time to train for the jump. After the invasion, he returned to Army Headquarters just as his unit got ready to go into St-Lo and into Paris.

On V–E Day, LTC Thurmond was in Leipzig, Germany when he learned of the end of

the war in Europe. He and his unit were disappointed that they were not allowed to take Berlin and had to let the Russians take it. LTC Thurmond was one of the men who uncovered and helped liberate Buchenwald Concentration Camp. He paints a grim picture of what he saw. ''I have never seen anything like it in my life. Bodies stacked up like cord wood, eight to ten feet high, those who had died and those who were still living . . . They killed them in one of three ways; by starving them to death with one bowl of thin pea soup per day . . . inducing them to climb a fence to get out, where they were shot . . . or they (the prisoners) were told to go into a big booth like a telephone booth and wait until the SS guards came in . . . they (prisoners) would go into the front of the booth and the SS Guards would go into the back of the booth and hit them with a mallet and smash their heads and kill them . . . The wife of the Commander was particularly cruel, she would take the skin from anyone who had tatoos to make lamp shades . . .'' Sen. Thurmond was selected to go on to the Pacific. He went to Fort Jackson, SC for a month, then by train to California and then on to the Philippines. LTC Thurmond was in the Philippines when the war ended. He captured a number of Japanese troops. He returned to Fort Bragg, NC and was called back to the Supreme Court of South Carolina. Sen. Thurmond was awarded five Battle Stars with the 82nd Airborne Division. For his military service, he earned 18 decorations, and awards, including the Legion of Merit with Oak Leaf Cluster, Purple Heart, Bronze Star for Valor, Belgian Order of the Crown and the French Croix de Guerre.

SENATOR BOB DOLE (R-KS)

Senator Dole shares his thoughts on WW II and V–E Day, we should take a moment to remember America's place in the world. When I witnessed the emotion of those gathered on the beaches of France last summer, memories came flooding back—memories of heroism, sacrifice and the pain men and women suffered. We must never be reluctant about our greatness as a country—nor ashamed of our national strength. There is one responsibility only the federal government has, and that is to protect our freedom. We must stop placing the agenda of the United Nations before the interest of the United States. Let us remember that America has been the greatest force for good the world has ever known. Before visiting France last year, I was in Northern Italy where I served in the Tenth Mountain Division 50 years before. While revisiting the battle sites, I thought about why we had been sent there, about the America we were risking our lives to protect and about the hopes for the generations to follow. As we open the door to another century, we can celebrate the fact that the world is a safer, freer place because of American leadership. We must continue to do what we have always done best—leading by example.

Senator Dole was a Platoon Leader with the legendary Tenth Mountain Division. Cpt. Dole was injured while serving in Northern Italy on April 14, 1945. He was awarded two Purple Hearts and one Bronze Star with Oak Leaf Cluster.

SENATOR DANIEL INOUYE (D-HI)

Sen Inouye was awarded a battlefield commission in Italy as a Second Lieutenant in the United States Army. This occurred just as his unit, the 442nd Regimental Combat Team left to rescue ''The Lost Battalion'' of the 141st Infantry. It had been surrounded and was desperately short of supplies and ammunition.Two days later he left to join his outfit. By the time he reached them, the bloody battle of The Lost Battalion was over. ''My platoon, numbering 20 men when I left, now had 11 capable of carrying a weapon—and that included me.'' Lt. Inouye considered himself lucky thanks to two silver dollars that he carried through every campaign. One was bent and the other cracked almost in two from the impact of a German bullet in France. (Sen. Inouye served in both France and Italy.) He carried them in his breast pocket but on the night of April 20, 1945, lost them. Despite his better judgment, he could not shake the fear that something was about to happen.

At first light (April 21, 1945), his unit (E Company) jumped. E Company's objective was Colle Musatello, a high and heavily defended ridge. Lt. Inouye's Company managed to make it within 40 yards of the German bunkers then almost at once three machine guns opened up at them. He took a hit in the stomach but still continued to fight. Finally he was close enough to pull the pin on the last grenade. ''As I drew my arm back, a German stood waist-high in the bunker. He was aiming a rifle grenade at me from a range of ten yards. And then as I cocked my arm to throw, he fired, and the grenade smashed into my right elbow. It exploded and all but tore my arm off . . . The German was reloading his rifle, but my grenade blew up in his face. I stumbled to my feet, closing on the bunker, firing my tommy gun lefthanded, the useless right arm slapping red and wet against my side . . . a bullet caught me in the right leg. The German resistance in our sector ended April 23. Nine days later, the war in Italy was over, and a week after that the enemy surrendered unconditionally.'' Senator Inouye was awarded the Distinguished Service Cross, the Purple Heart with Oak Leaf Cluster and the Bronze Star.

CONGRESSMAN TOM BEVILL (D-4TH-AL)

Last year, I participated in the commemoration of the 50th Anniversary of the D-Day Invasion on the coast of Normandy, France. The men who participated in that invasion will always be remembered for their heroism. It brought back many memories for me, although I was not part of the initial invasion. As a new Army Second Lieutenant, I was sent to England in late February of 1944, less than four months before D-Day. I was in a staging area with the 5th Armored Division, where I assisted in drilling the troops who were in the first wave to storm the coast of Normandy. At night we would load the troops on ships with their rifles and ammunition and send them out under cover of darkness. They did not know where they were going. They would land somewhere along the coast of Normandy. I remember how anxious the troops were. I realized it was no drill the day we issued emergency rations to the troops. Suddenly, they were provided kits with a several days' supply of chocolate bars, cigarettes and K-rations. We had never done that before. And, that's how we knew it was the real thing. I will never think of myself as a war hero. I am not. That honor goes to men like my colleague, Congressman Sam Gibbons of Florida, who parachuted behind the German lines on D-Day. That honor goes to men like the late Congressman Bill Nichols of Alabama who lost a leg in WW II. That honor goes to Travis Alvis, my childhood friend from Townley, who was killed in the D-Day Invasion. That honor goes to many, many others who stormed the beaches of Normandy in the name of freedom and democracy.

CONGRESSMAN SAM GIBBONS (D-11TH-FL)

Congressman Gibbons served in WWII as an Army Captain in the 501st Parachute Infantry of the 101st Airborne. Gibbons was a member of the initial assault force which invaded Normandy on D-Day. He is the only Member of the House of Representatives serving today who participated in the Invasion. He chose to remember V–E Day like this:

''V–E Day was a beautiful, sunny day. The weather was warm where I was in Paris and everyone was absolutely jubliant. I actually drove my jeep down the Champs-Elysees and weaved in and out of people dancing there. I saw V–E Day at the best time, from the best place.''

CONGRESSMAN ''SONNY'' MONTGOMERY (D-3RD-MS)

I served in the European Theatre during WW II. I was a Second Lieutenant with the 12th Armored Division which arrived in France in November, 1944. We were assigned to the Seventh Army part of the time and with the Third Army part of the time as we drove through France and Germany. We were in heavy combat during the fall and winter of 1944 and 1945. The toughest battle was against well-entrenched German forces at Herlisheim on January 9–10, 1945. We lost a number of tanks in the fighting there, but we held back a German counterattack and finally broke through enemy defenses. The German resistance began to break up after that and we then moved at a rapid pace toward the Rhine River. Another significant event occurred in April when elements of the Twelfth Armored Division captured the bridge over the Danube River at Dillingen before German demolition men could wreck it. Securing that bridge provided a vital artery for Allied troops to flood into southern Germany and helped speed up our efforts to end the war.

We helped liberate a number of concentration camps in Germany as the war neared its end. We drove past hundreds of freed Jewish prisoners walking and sometimes stumbling, along the road. The sight of these improverished people in their tattered clothes is something even the most hardened soldiers can never forget. I was in southern Germany when I heard the Armed Forces Radio broadcast that the war in Europe had ended, but I had little time to celebrate. I got orders a week later to go to the Pacific theater and prepare for the invasion of Japan. That invasion, of course, was averted when we dropped the atomic bombs on Hiroshima and Nagasaki.

RADM EUGENE B. FLUCKEY (USN-RET.)

Rear Admiral Fluckey, author of Thunder Below was Commanding Officer of the submarine USS Barb. He received the Medal of Honor and four Navy Crosses and is a veteran of eleven war patrols during WW II. RADM Fluckey is credited with the most tonnage sunk by a U.S. skipper in WW II, seventeen ships including a carrier, raider-carrier and a frigate. He is proudest of the fact that no one attached to the Barb received the Purple Heart and that the sub came back ready and eager to fight again. In the Atlantic, he chased German submarines but his biggest contributions were in the Pacific theatre. His contributions there will be highlighted in the upcoming V–J issue of the USI.

CORPORAL CHASE FIELDING (USA), FORMER POW

CPL Fielding arrived in Normandy on D+7 as part of the 29th Division going in to replace the 13th Airborne Division. They made it up to St-Lo which was later leveled by the Air Corps. Three days later, he was only one of three men remaining in his platoon, and was taken prisoner on June 30, 1944. Under American artillery fire, he along with two others were taken to Stalag XII A on the outskirts of Limsburg. ''We were fed bread and soup, bread and tea in the morning and water soup the next two meals. . . . Our meat consisted of worms which somehow got in the soup.'' We traveled by train for five days and five nights, forty to fifty men in a small boxcar. We were let out only twice to

perform our toilets. Ate, slept and excreted in the same place. It was suffocatingly hot during the day, and with little ventilation and sometimes without water for thirty-six hours, quite a few passed out.

Upon arrival in Limsburg, we had our first bath since the middle of July. We left Stalag XII A on August 24 and arrived at 4–B (Muhlburg) on August 26 and were put into barracks. ''The camp was like heaven compared to the others. . . . I met a member of Tito's band, age 15, and (who had been) wounded twice. There was a kid there, a machine-gunner, who was only eleven years old. . . . The Russians were treated horribly. In some Russian barracks cannibalism had occurred. They were like sticks, and when too weak to move were thrown in a lime pit. . . . One huge field there was fertilized with 10,000 bodies of Jews.'' On September 14th, CPL Fielding moved out as part of a working party. He passed through Dresden on the 15th and entered Sudatenland that night. On the 16th, the working party was housed at Falkensaw where it worked in coal mines. CPL Fielding went on his first sick call on October 6th due to boils. He was treated by a Serbian doctor in the Russian compound. A week and a half later, he developed an abscess and underwent surgery. A hole the size of an egg was left by a French surgeon purposely to keep him out of the mines for awhile. Mr. Fielding's health worsened in November because of another abscess, swollen tonsils and diphtheria.

Later an abscess was removed from the back of his head simply by cutting his head open without any painkiller. About a month later, he was returned to the commando and also to work in the mines. Rumors that Americans were coming closer began in April. Late in April, CPL Fielding and several other prisoners escaped and hid in a bomb shelter. He headed due west. The woods were full of Germans. Picking up information of SS troop movements, the group was able to avoid the SS. On April 27th (officially the 28th) they reached a Yank outpost. CPL Fielding later learned that those prisoners who stayed behind were the last to be liberated in Europe and when found were in such a state that many could hardly walk. A great many had died.

CAPT FRANK X. RILEY (USCG-RET.)

Captain Riley graduated from the Coast Guard Academy on June 19, 1942. He was assigned as Executive Officer on LCI 323 which was designated as Task Force Command Ship (TFCS) and was the first LCI to leave the States. He served aboard the LCI off the North African, Italian and Sicilian coasts; as Commanding Officer of the vessel, he participated in the Normandy Invasion. During the Invasion at Normandy. Captain Riley remembers that two hundred troops were loaded in the troop compartment. His ship, a salvage vessel saved the lives of 1500 Army personnel and salvaged 30 Landing Craft Personnel Vehicles (LCPV) and 50 larger vessels known as LCMs. Six New York City firefighters were put onboard the Landing Craft-Infantry (LCI) to control fires. General Omar Bradley rode the LCI twice, with his second ride being to Omaha Beach.

CAPT QUENTIN R. WALSH (USCG-RET.)

Captain Walsh graduated from the Coast Guard Academy in 1933. On December 7, 1941, his ship (APA) Joseph Dickman was part of a secret U.S. Navy convoy ''William Sail 12X'' approaching Cape Town South Africa. His ship returned to the United States on February 28, 1942 after having been diverted to India. His ship then became involved in the Battle of the Atlantic, surviving a torpedo attack May 15, 1942. Captain Walsh was assigned to the staff of Commander, U.S. Naval Forces, Europe in the Planning and Logistics Section. He was assigned to the planning for Operation Overlord and Phase Neptune and the logistics requirement for Cherbourg and LeHavre. He organized, trained and commanded U.S. Navy Task Unit 127.2.8 which landed over Beach Utah attached to the 7th Corps, U.S. Army. ''My Task Unit 127.2.8 (from June 26—June 29, 1944):

1. Cleaned out the last resistance in the Arsenal.
2. Plotted and delivered the mine fields in the harbor to the British mine sweepers off the port.
3. Established United States Navy Headquarters, Cherbourg.

We had to have Cherbourg to sustain the invasion (Normandy) and the Germans knew it.'' Task Unit 127.2.8 entered Cherbourg by going over the top of Fort duRoule with the 79th Division on June 26, 1944. Subsequently, he led a heavily-armed unit, equipped with submachine guns, hand grenades and bazookas the cleaned out the last resistance in the Cherbourg Arsenal, established U.S. Navy Headquarters in Cherbourg, and, by interrogating slave laborers, Free French and German prisoners, obtained and plotted the mine fields in Cherbourg harbor. Captain Walsh carried out the reconnaissance of ports in Brittany from St. Malo to Brest attached to Patton's Third Army, 8th Corps, until ordered to carry out the reconnaissance of LeHavre with the First Canadian Army on September 12, 1944. Captain Walsh considers his three most important contributions to the Invasion of Normandy as; U.S. Navy Task Unit 127.2.8, the capture of German mine fields, Cherbourg and the capture of Fort duHomet.

These are just of few of the brave men who along with women saved the world. Without them and others like them, democracy as we know it, would not exist. We thank them for their heroism and salute them one and all.

ORDERS FOR THURSDAY, MAY 25, 1995

Mr. COCHRAN. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9 a.m. on Thursday, May 25, 1995; that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then immediately proceed to a vote on the adoption of the conference report to accompany H.R. 1158, the rescissions bill.

I further ask unanimous consent that immediately following the vote on the conference report, the Senate resume consideration of S. Con. Res. 13, the concurrent budget resolution.

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

Mr. COCHRAN. I now ask unanimous consent that the first vote tomorrow morning at 9 a.m. be 20 minutes in length, and the remaining votes in the sequence be limited as under the terms of today's sequence of votes on the budget.

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

PROGRAM

Mr. COCHRAN. Mr. President, for the information of all Senators, there will be a rollcall vote at 9 a.m. on the rescissions conference report. Immediately following that vote, the Senate will resume consideration of the budget resolution and will begin a series of rollcall votes on or in relation to remaining amendments to the budget.

RECESS UNTIL 9 A.M. TOMORROW

Mr. COCHRAN. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 8:42 p.m., recessed until Thursday, May 25, 1995, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate May 24, 1995:

DEPARTMENT OF THE TREASURY

LINDA LEE ROBERTSON, OF OKLAHOMA, TO BE A DEPUTY UNDER SECRETARY OF THE TREASURY, VICE MICHAEL B. LEVY, RESIGNED.

IN THE MARINE CORPS

THE FOLLOWING-NAMED AIR FORCE ACADEMY GRADUATES FOR PERMANENT APPOINTMENT TO THE GRADE OF SECOND LIEUTENANT IN THE U.S. MARINE CORPS, PURSUANT TO TITLE 10, U.S. CODE, SECTION 541:

MARINE CORPS

To be second lieutenant

CHRISTIAN R. FITZPATRICK, 000–00–0000
DARREN M. HAMILTON, 000–00–0000
RUSSELL L. HICKS, 000–00–0000
NATHAN M. MILLER, 000–00–0000

THE FOLLOWING-NAMED U.S. MILITARY ACADEMY GRADUATE FOR PERMANENT APPOINTMENT TO THE GRADE OF SECOND LIEUTENANT IN THE U.S. MARINE CORPS, PURSUANT TO TITLE 10, U.S. CODE, SECTION 541 AND 5585:

BRETT GREENE, 000–00–0000

THE JUDICIARY

JOSEPH H. MCKINLEY, JR., OF KENTUCKY, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF KENTUCKY VICE RONALD E. MEREDITH, DECEASED.

ROBERT H. WHALEY, OF WASHINGTON, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF WASHINGTON VICE JUSTIN L. QUACKENBUSH, RETIRED.

B. LYNN WINMILL, OF IDAHO, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF IDAHO VICE HAROLD L. RYAN, RETIRED.