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House of Representatives

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. KOLBE].

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
November 6, 1995.

I hereby designate the Honorable JIM KOLBE to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

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

Our hearts and souls join with so many others as we mourn the tragic death of Yitzhak Rabin and we express this prayer of condolence to all who sorrow. May Your peace, O God, that passes all human understanding, be with his family and those near and dear to him.

O gracious God, the creator of the whole Earth, who lifts up leaders to do the works of justice and peace, we ask Your blessing on the work that he began and carried on with such strength and determination. We are overwhelmed, O God, by the thought that a song of peace was sung and so quickly followed by the shot of death. Our hearts and minds and spirits reach out in prayer this day that the message of peace for which he gave his life will be translated into acts of reconciliation and will continue with Your grace and with Your benediction in all the days to come. In Your name, O God, do we pray. Amen.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from West Virginia [Mr. WISE] come forward and lead the House in the Pledge of Allegiance?

Mr. WISE led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with an amendment a bill of the House of the following title:

H.R. 436. An act to require the head of any Federal agency to differentiate between fats, oils, and greases of animal, marine, or vegetable origin, and other oils and greases, in issuing certain regulations, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1097. An act to designate the Federal building located at 1550 Dewey Avenue, Baker City, OR, as the "David J. Wheeler Federal Building," and for other purposes.

The message also announced that pursuant to section 8002 of title 26, United States Code, the Chair, on behalf of the chairman of the Finance Committee, announces a change in the membership of the Joint Committee on Taxation. Mr. CHAFEE has been added to the Joint Committee. Therefore the membership of the Joint Committee on Taxation is as follows: Mr. ROTH, Mr. CHAFEE, Mr. HATCH, Mr. MOYNIHAN, and Mr. BAUCUS.

YITZHAK RABIN: A SOLDIER FOR PEACE

(Mr. WISE asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, today all Americans mourn the tragic death of Yitzhak Rabin, the Prime Minister of Israel. Every American has memories of this great world leader. We all remember this soldier, standing in the White House Rose Garden offering his hand as a peacemaker to Yasser Arafat, this soldier talking about the need to stop the killing, so their grandchildren may have a future.

I have a personal memory, along with a number of other Members of Congress several years ago, being able to meet with Yitzhak Rabin before he was Prime Minister. I was struck then by a strong personality, and later I could see how it was that it was a soldier who led his nation in war who could also lead his nation and a region to peace.

So we have a new memory as well in our grief. We also now have the memory of an Arab King standing before the casket of a slain Israeli leader. Perhaps there is hope, that hope only brought about because of the efforts of Prime Minister Rabin.

Finally, Mr. Speaker, if we can take anything out of this, as we have lost a world leader in the fight against extremism, let us remember we are each soldiers in that fight as well. Perhaps in a personal way, each unto ourselves, we can dedicate ourselves to fighting extremism and rooting it out wherever it is, not just in the Mideast, but wherever it is in our hearts, our lives, and our country. That may be the ultimate memory and testimony for Yitzhak Rabin.

YITZHAK RABIN'S DREAM MUST BE KEPT ALIVE

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

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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Mrs. SCHROEDER. Mr. Speaker, today we all feel we are part of one great global family, cloaked in sadness as we try to deal with the senseless assassination of Yitzhak Rabin. I think every one of us feels very helpless and impotent that we could not prevent such a senseless act by a killer who killed one of the great soldiers and dreamers who was acting on peace. But I must remind all of us on this day that while we could not prevent the killing, we can prevent the killing of his dream. We must not let the feeling of helplessness and impotence descend upon us to not go forward with his dream of peace.

Instead, it must rekindle the flame even brighter, even harder, and we must work even more vigorously to bring peace to that region that has known so little, and to carry on the great dream and vision he had for that region, his home.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

IN MEMORY OF ISRAELI PRIME MINISTER YITZHAK RABIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BENTSEN] is recognized for 5 minutes.

Mr. BENTSEN. Mr. Speaker, today the world mourns the loss of one of the greatest statesmen of our time, Yitzhak Rabin. A soldier who knew too well the price of war, Prime Minister Rabin spent his life in defense of Israel. But his legacy will be his pursuit of an enduring peace for the entire Middle East.

Rabin's time in office was short in the long history of the Middle East. That makes what he accomplished all the more remarkable—a peace treaty with Jordan, mutual recognition between Israel and the PLO, and the initiation of historic talks with Syria. All this was considered impossible only a few years ago.

Prime Minister Rabin's most remarkable accomplishment was the transformation of the Middle East from a region divided between Arabs and Jews into a region divided between those who want to move forward with peace and those frozen by the hatred of ages.

We here in the U.S. Congress must not waiver 1 inch in our commitment to peace. Our continued strong support for Israel and her quest for peace and freedom should be a tribute to the man who gave his life for it.

Today Israelis mourn the loss of Yitzhak Rabin and the entire world grieves with them. We should all honor the memory of Yitzhak Rabin by giving life to his enduring words: "Enough of blood and tears. Enough."

SMOKELESS TOBACCO CONSUMPTION AND REDUCTION AND EDUCATION ACT OF 1995

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

Mrs. SCHROEDER. Mr. Speaker, today I just want to notify my colleagues that I am reintroducing a bill that addresses a very serious public health crisis. That is the growing number of especially adolescents and children who are using smokeless tobacco. This bill would hopefully begin to deter the smokeless tobacco industry by raising the Federal excise tax to at least the level of that on cigarettes. We are seeing children being targeted constantly in commercials by all sorts of popular figures, trying to lure them into snuff and chewing tobacco, and saying it is a safe alternative.

Let me just point out to parents and so many people, this is not a safe alternative, and in fact, some of the health consequences of smokeless tobacco are even more immediate than that of cigarettes. In fact, evidence shows that smokeless tobacco contains 2 to 3 times the amount of nicotine that cigarettes have, and that people become much more subjected to addiction than with cigarettes.

What the users are at such health risk for is developing gum, tongue, cheek, larynx, and other oral cancers. Can you imagine anything worse? Every year some 29,000 Americans are diagnosed with oral cancers, and 8,000 people die of it; 75 percent of those are attributed to the use of smokeless tobacco or cigarettes.

Mr. Speaker, I take this well to say I as a parent get so tired of people seeing children and adolescents solely as consumers, and that if you can lure them in and tell them these things are cool, it only helps your profit and loss statement.

I think it is time we as lawmakers, and all of us in this country, join to say that these children are our future and we should not allow profits to get in the way, luring them in to be consumers, to getting them addicted to nicotine, and to getting them into habits that will haunt them the whole rest of their life.

Mr. Speaker, adolescents develop the habits that they are going to have with them the whole rest of their life during this period. They are terribly vulnerable, they are terribly vulnerable to peer pressure. I think to say that this is a safe alternative and to allow this to continue is wrong.

I thank the cosponsors who are joining with me. I hope many others join with me, and I hope we can begin to attack one more group that is out there preying on our children and going after their pocketbooks for their own aggrandizement.

Mr. Speaker, today I am reintroducing a bill that addresses a severe public health crisis—the growing number of people, especially adolescents and children, who are using smoke-

less tobacco. This bill would deter smokeless tobacco use by raising the Federal excise tax on snuff and chewing tobacco to that of cigarettes. It would also create a trust fund to educate the American public about the health effects of using smokeless tobacco.

While cigarette use has been declining for the past 7 years, the use of smokeless tobacco has risen for the fourth year in a row. In fact, since 1972, the number of users has tripled. Smokeless tobacco is now the only tobacco product for which consumption is increasing. More than 10 million Americans use snuff and chewing tobacco, and, sadly, 3 million of those users are under the age of 21. Statistics show that more than 35 percent of high school boys are occasional or frequent users. What is worse, the average smokeless tobacco user starts his or her habit at age 9; 25 percent of users start by age 5.

Smokeless tobacco marketers are smart, engaging in intense and well-funded marketing efforts. They target young males with visions of sports fame and rugged masculinity. They ease adolescents into their habit with snuff flavored with mint and cherry.

Most importantly, the health consequences of smokeless tobacco are even more immediate than that of cigarettes. Evidence shows that smokeless tobacco contains 2 to 3 times more nicotine than cigarettes, making snuff users more susceptible to addiction than smokers.

Users are at a serious risk of developing gum, tongue, cheek, pharynx, and other oral cancers and of developing cancers of the larynx and esophagus. Some 29,000 people are diagnosed with oral cancer a year and 8,000 people die of it—75 percent of those cases are attributed to the use of smokeless tobacco or cigarettes.

Children and adolescents who use smokeless tobacco are at a special risk of damage to teeth, gums, and bone tissues. Nicotine and other carcinogenic substances absorbed from smokeless tobacco use can aggravate human illness in progress and accelerate the development of coronary artery disease and hypertension.

Ten percent of the revenue generated by my bill will be placed into a trust fund for programs to educate the public of these health risks and for other programs to reduce consumption. Higher taxes and an educational trust are one step toward helping kids kick the habit. Join with me in protecting America's youth.

TRIBUTE TO YITZHAK RABIN AND ISRAEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] is recognized for 5 minutes.

Mr. FRANK of Massachusetts. Mr. Speaker, I have not in my 15 years as a Member of this House felt sadder on taking the well. The murder of Yitzhak Rabin is one of the most despicable, frightening acts we have witnessed, because it was not simply the murder of one of the genuinely great men of our time; a man who, having excelled in war, a war forced on him and forced on his countrymen, a war they never wanted but a war of self-defense, a war

which they had to fight from the moment of their birth for their very existence; a man who, having excelled at that war, excelled at peace; but of a man who, which is rare in politics, risked everything to make peace.

We talk of those who stand up to their enemies, but that is easy to do. Standing up to your friends, to your brothers and sisters, to the people to whom you have been closest, that takes a real kind of moral courage. Yitzhak Rabin did it. It is not simply the murder of this great man. It is an assault on democracy. It is an assault on one of the great accomplishments that we have seen in this world, in this century. That was the creation of the democratic State of Israel out of the terrible horrors of the Holocaust.

It is appropriate for us today, in expressing our deep sorrow at the murder of this great man, to remark on the extraordinary society which gave birth to him, not in the physical sense but in the political sense, because he is one of the men who brought Israel into existence, but his political career then thrived within Israel.

It is a terrible tragedy that just as he appeared to be on the verge of success in bringing about a true peace, a thoughtful and sensible peace, he was murdered. Israel was created, through no fault of its own, in the midst of war. This small nation had to fight for its very existence from the moment of its existence. After five decades, nearly, of a war of self-defense, Israel society was taking great risks for peace.

We in the United States can be very proud of the role that has been played by the United States, by the Clinton administration, by this Congress, by American society, in giving Israel the necessary support that it needed as a small nation in the midst of what was once a sea of hostility to go forward to making peace.

Mr. Speaker, in addition to mourning the death, in addition to condemning the despicable act, and condemning also those who condoned this in advance, I think it is appropriate to pay tribute to Israeli society, and at this moment of greatest sorrow for Israeli society, to express my confidence, my pride as a Jew, as well as an American, in the relationship that our country has had with Israel, but also in the ability of Israeli society, in the midst of an effort to wipe it out before it came into existence, to foster its own security and at the same time democracy.

Many have argued at times of stress that democracies have to give up on their basic rights. The Israeli experience is, of course, a repudiation of that, because the Israeli society has been one of the freest and most democratic in the world at the same time it has been under attack. Now that society, that great democracy, is going to be called on, as few societies have been called on. But that is not new for the Israelis. They have had to go through this before.

I am confident that in the midst of this terrible tragedy and mourning, the strong democratic nation of Israel will rise to the task, and those who tried to murder peace by murdering this great man will fail. I believe that the democratic society of Israel will repudiate this effort, and I am proud to say that as a Member of the United States House of Representatives, I look forward to working with all of my colleagues in continuing to provide Israel with the kind of support and reassurance it needs to go forward on the path that Yitzhak Rabin had begun.

THE DEATH OF YITZHAK RABIN AND ITS SIGNIFICANCE FOR AMERICA AND THE WORLD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, I want to take this time to continue for just a moment discussing the death of Yitzhak Rabin, and what it means to the world, and certainly to us. I have grappled with this all weekend, as I know many Americans and citizens across the world have, about the meaning, because once again a great leader, who has already accomplished much and pointed the world in a new direction, has been struck down.

There is a sense of horror and tragedy and shock at this, and in many ways, hopelessness. But at the same time, out of this sense we have to resolve to go on, to remember this man who was a patriot and leader of Israel, who led Israel in one of its major wars, who commanded armies, who knew military arms, and yet could also bring a nation to peace.

I have thought many times that probably it was only Prime Minister Rabin who could do that; having been such a successful general, he could be the only one whose word and authority could be accepted when he would say there could be peace.

I put him in the same category as many other great leaders who have been struck down in the Mideast. Of course, in 1981 another one who dared to strive for peace and was struck down by an extremist within his own country was Anwar Sadat, the President of Egypt. Before him, the grandfather of the President King Hussein, King Abdullah, was struck down in Jerusalem by the same extremist type of person. People who did not want to see a dream succeed are those who would strike down such leaders.

The death of Yitzhak Rabin, though, really has meaning far beyond Israel. Obviously, we focus on the Mideast, and I think if there is a success story for the United States, it is that there has been a true bipartisan support of the nation of Israel and its strivings and endeavors and struggles.

Obviously, the Mideast is a large part of what we focus on today, but what Yitzhak Rabin was about and what

struck him down is not just the Mideast, it is an extremism that is in all parts of our society worldwide; it is an extremism that says "We do not have to work through democratic principles; if your dream differs from ours, we will cut you down."

That is what we have to root out. That is something we have to do as individuals as well. We cannot just count on there being Yitzhak Rabins on every street corner. They depend upon us, ordinary citizens, to lead that fight as well, to be the soldiers, if you will. So I hope that is something, that we redouble our efforts. As we focus on the Mideast and the sorrow and grief that we feel today and we are going to feel for quite a while, and the absence we are going to feel for quite a while, so let us focus on what needs to be done across the world as well.

Mr. Speaker, in closing, I just want to ask that all of us as Americans redouble our efforts to deal with extremism no matter where it is: Left, right, religious, racial, however it comes up. That is what this is about. That is the struggle that must be led.

As I watched excerpts of the funeral I was struck by something, Mr. Speaker, You could not help but feel tears well up, to see, of course, not only Prime Minister Rabin's granddaughter so eloquently eulogize her grandfather, as a person who knew him well, better than anyone else, I think, but also to see his former adversary, the King of Jordan, whose soldiers had fought and he had fought against Israel several times before, stand beside the bier of his former fallen foe and call him friend; the Arab King, the Israeli flag-draped casket, side by side; two men who dared, two leaders who dared to reach out.

Now they call, I think, upon us, all of us, to dare to reach out the same way, for if we are to gain anything out of this great tragedy, if we are to try to pull anything out of this, that is what we must double and triple our efforts to do, which is to heed that call and to dare to reach out to each other.

PERMISSION TO FILE CONFERENCE REPORT ON S. 395, ALASKA POWER ADMINISTRATION ASSET SALE AND TERMINATION ACT

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the managers be given until midnight tonight, November 6, 1995, to file a conference report on the Senate bill (S. 395) to authorize and direct the Secretary of Energy to sell the Alaska Power Administration, and for other purposes.

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

There was no objection.

THE LOSS TO ISRAEL, THE MIDDLE EAST, AND THE WORLD WITH THE ASSASSINATION OF PRIME MINISTER YITZHAK RABIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. ROEMER] is recognized for 5 minutes.

Mr. ROEMER. Mr. Speaker, it is with a great sense of personal sadness and political sadness that I rise today to talk about Israel's loss with the assassination of Prime Minister Yitzhak Rabin, the loss for the Middle East, and the loss for the world.

As generations of Americans have talked with a great deal of sadness about the loss of our President, President Kennedy, and they talk about where they were when that event happened, and how it shook America to its foundations, I think many people will never forget where they were when they heard the news of this tragic murder of Prime Minister Rabin.

I think it is tragic for many reasons. It is tragic because, at a time when so many people are critical about the political process, they complain about the vacuum of leadership in politics today, and the lack of courage in politics today. Here was a man that would never, he would never lick his finger and put it to the wind and say "What should I do next?" This man was a tornado, a wind tunnel who would create the winds of change, and try to convince and control and persuade the Israeli people that his attitudes about the peace process were the just ones and the right ones, and, we all know, the courageous ones.

I have met Prime Minister Rabin three or four different times, one time just recently in Israel, when he talked at length about his efforts toward the peace process in the Middle East. Prime Minister Rabin, I do not think, would meet some Americans' definition of "charismatic." He was not particularly the backslapping type. He was not always the first one to tell you a joke. He had a charisma of toughness, of vision, of courage. He would smoke his cigarette and let the American Members of Congress know that nothing was going to deter him from his efforts to achieve an everlasting peace for the people of Israel and the people of the Middle East and the people of the world.

I do not think many Americans or people anywhere in the world, for that matter, can forget the historic occasion of the handshake on the White House lawn a year and a half ago. I think everybody remembers with a great deal of pride as Americans that this took place in America, when Prime Minister Rabin and Mr. Arafat shook hands on the White House lawn, making all of us feel that almost anything was achievable; that if these two people could come to a peace and an understanding and a commitment to work together, certainly that was an inspiration to many Americans that we

can do the same kinds of things; that anything is possible to all of us.

Mr. Speaker, I just want to say that Mr. Rabin was a lawyer, a general in 1967, a warrior for victory in 1967 in a war that meant everything to the Israeli people. Over the decades he was a patriot for peace to his people, winning the Nobel Peace Prize in 1994. I want to express, on behalf of my constituents in northern Indiana, and maybe on behalf of some Members of the House of Representatives, as many Members are currently over in Israel right now, the deep sense of loss that Americans feel as Mr. Rabin leaves us.

We extend our prayers and our thoughts and sympathies to Mr. Rabin's family, and also to the people of Israel, who are our good friends and who are going to be going through a very difficult time, not only by losing a Prime Minister through assassination, but in many ways, the State of Israel has lost a bit of its innocence with this very tragic act. We know that they can overcome this, and we know the people of Israel and the people of America will continue to work together in the efforts to sustain the legacy that Mr. Rabin leaves all of us: One of hope and commitment to work with other people, even your enemies, at times, and the hope and commitment to attain a just and everlasting peace.

DEBATES ON BALANCING THE BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from South Carolina [Mr. SCARBOROUGH] is recognized for 60 minutes as the designee of the majority leader.

EXPRESSING CONDOLENCES TO THE FAMILY OF YITZHAK RABIN AND THE PEOPLE OF ISRAEL

Mr. SCARBOROUGH. Mr. Speaker, I also wish to express my condolences not only to Mr. Rabin's family, but also to the people of Israel on behalf of my family and my district. It obviously was a devastating loss for a peace process that began some time back, with the Camp David accords, and has now seen two great leaders and visionaries slain on behalf of peace in the Middle East, and how ironic it is that Anwar Sadat was assassinated by an extremist, an extremist Arab group that wanted to do anything they could to stop peace in the Middle East, and that now the Prime Minister was slain by an extremist in his own land. It shows the divisions that run deep in this conflict that have been going on for thousands of years, but is yet another step in a painful process toward peace, and one that we, obviously, must have, and must press forward to secure.

□ 1230

I just thank him for all he did during his lifetime to help secure that peace.

Today I wish to speak on a matter that is pressing at home regarding the balanced budget debate. We have heard

much over the weeks, we have heard much over the past months and over the past year on how we balance our budget and what we do to balance our budget.

Mr. Speaker, I went home this past weekend and spoke at some meetings across the district, both formal and informal, and talked to people and tried to get a sense of what they were thinking about our plan to balance the budget. We are the first balanced budget plan in over a generation.

As I came back, it really did hit me after talking to those Americans that the plan that now is before Congress, and the one that we have passed, with all of its flaws, really does give the American people the best chance they have had in some time to put their financial house in order, really for the first time in a generation.

Mr. Speaker, look what has happened over the past 40 years, over the past 40 years of liberal spending policies and liberal taxing policies in this House. Of course, everybody knows that it has been 40 years since we have really had a true, bona fide, balanced budget plan and that this year we are \$4.9 trillion in debt. Think about that for a second. \$4.9 trillion. That is a lot of zeros.

We right now are spending \$270 billion on interest alone, paying off the interest on the debt, \$270 billion. We are spending as much money paying off interest on the American debt as we are spending on our Department of Defense budget. Think about that for a second.

We spend as much money paying off interest on the debt as we spend on tanks, jets, B-2 bombers, *Seawolf* submarines, our military infrastructure, paying all of the personnel costs, all the health care costs, all of the defense-related costs, \$270 billion, and yet it seems ironic to me that all of those liberals that stand up and scream and tell us that we are spending too much money on the defense budget that in the end is to protect the shores of this great country and to protect American interests across the globe, those same liberals are saying, OK, \$270 billion is too much to protect our country, but on the other hand, it is not too much to protect our financial future. They have no objection with us continuing to throw \$270 billion away per year on interest payments alone. That is money that goes right down the drain, that does not support any programs whatsoever, that does not support Medicare or Social Security, or support anything.

Yet, today, every child is spending, or every child has a debt of \$20,000 on their head. If a child is born today, that child will pay well over \$150,000 over their working lifetime on taxes alone simply to pay off their portion of the debt that is on this country right now.

Let me say, Mr. Speaker, it disturbs me to hear them complaining about the fact that we finally stepped up to the plate and were willing to do what

needs to be done to balance the budget. They talk about it as being radical, they talk about it as being mean spirited.

Mr. Speaker, I ask you this. What could be more mean spirited, what could be more mean spirited than to continue doing for the next 40 years what we have been doing for the past 40 years, where we are literally reaching our hands into the pockets of our children and our grandchildren, and stealing money from them and from future generations, only to throw them away on political programs that have clearly failed over the past 40 years?

Sure, it may help some Members here get reelected to push for those programs, but yet they are not willing to stand on the floor and to say, this program is so important that I am going to tell you how we are going to pay for it. Instead, they propose one budget after another that does not balance the budget. We have had it for 40 years, since the checkbook has been in the hand of the Democrats, and this year, finally, we step forward with a plan to balance the budget, to make sure that we do only the same thing that middle class Americans have to do: We only spend as much money as we take in.

Mr. Speaker, what is so radical about that? What is so radical about the fact that right now the Federal Government spends \$4 for every \$3 that it takes in, but we want to have the Federal Government pay \$3 if it takes in \$3. If it takes in \$2, it spends \$2. But all we hear is, this plan to balance the budget is radical. It is mean spirited, and we are cutting way too much.

Mr. Speaker, let me tell you a little secret, and it is a secret that has not gotten out yet. This plan does not cut too much. In fact, it does not cut at all. I have a chart here to show that.

If we look at this chart, this is how much money we have spent as a Federal Government from 1989 to 1995: \$9.5 trillion; \$9.5 trillion. Now, over the next 7 years, from the year 1996 to the year 2002, in this radical budget plan that supposedly cuts too much, over the next 7-year time period, we will be spending \$12.1 trillion. So over the last 7 years we have spent \$9.5 trillion, and over the next 7 years we will be spending \$12.1 trillion, an increase of almost \$3 trillion over the same 7-year time period.

Now, where I come from that is a pretty significant increase. In fact, that is an increase of \$2.6 trillion.

Now, let us look and see what the difference is between what the Republicans have suggested we do over the next 7 years and what the Democrats have suggested we do over the next 7 years. If we do nothing, if we continue to let this run-away train go down the tracks and go off the tracks and move us toward bankruptcy, then we will be spending \$13.3 trillion over the next 7 years.

But you see, Mr. Speaker, it is not that radical. It is not radical at all, in fact. We are talking about spending

\$2.6 trillion over the next 7 years instead of \$3.8 trillion over the next 7 years. Where I come from, this is less than this; \$12.1 is more than \$9.5. I wonder about this Washington new math where a spending increase is called a spending cut. It makes no sense to me.

I was in committee, and now they are working it the other way. We talked about abolishing the Department of Commerce because it is the last great bastion of corporate welfare in America, and you know what they call that? They call that spending cut a spending increase. Ron Brown stood before our committee and in sworn testimony said it will cost more money, it will cost billions of dollars for us to abolish the Department of Commerce. So now it has made a full circle. In Washington, DC, a spending increase is now called a spending cut, and a spending cut is now called a spending increase.

We have a Member from Ohio who, when faced with this sort of logic, screams into the microphone, beam me up, Scottie, I cannot take it any more. Well, that is how I feel sometimes. I feel it when I go back to the district and some people say to me, gosh, is it true that you are slashing spending too much in Washington? I give them the figures, and they cannot believe it.

It is the same thing with Medicare. We hear time and time again that the Medicare cuts are too radical. You are cutting Medicare. How many people have heard, you are cutting Medicare, you are cutting Medicare. That is all we hear. The fact of the matter is, over the next 7 years, spending on Medicare will increase by 45 percent, from about \$850 billion to \$1.8 trillion. Forty-five percent. Some people still have the nerve to sit on the floor and speak into the microphone with a straight face and call that a spending cut.

I do not understand it. Quite frankly, even the President of the United States, supposedly the leader of the Democratic Party, does not understand it. After saying for years that we did not need a balanced budget, the President has come out recently saying we do need a balanced budget, and we need it in 10 years or 7 years or 8 years or 9 years. It is hard to nail him down exactly, but he is saying at least we need a balanced budget in some period of time.

The Democrats' response to that has been anger. They have been extremely angry that their President has dared to step forward and echo what about 90 percent of Americans are now saying, that a balanced budget amendment this year has to be the top priority.

I just cannot imagine that, though, for a second. I cannot imagine that members of a party would be angry with their party head for simply saying that the Federal Government should only spend as much money as it takes in. Does that help explain the ideological demise of the liberal wing of the Democratic Party? I think it does. Does that mean that this plan is radical No, it is not radical. Again, 88 per-

cent of Americans support the plan that we are going to pass.

Furthermore, if we look at what happened 1 year ago on November 8, 1994, about 1 year ago, Americans agreed overwhelmingly that we needed to move forward with the balanced budget amendment, with a balanced budget plan, with cuts in spending, and we needed to do it because our future depends on it, and they agreed with us at the voting booths.

Remember all of the liberal press members who said what a serious mistake the Contract With America was, that we should not put all of these things out there and should not make all of these promises that we were going to try to pass a balanced budget plan. They said it would destroy the Republicans' chances.

Well, the fact of the matter is, we put our program out there and got the most unambiguous mandate in the history of off-year elections. Of course, the Republicans gained control of the Senate and the House, but also, think about this. This is shocking, but not a single House incumbent Republican, not a single Senate Republican incumbent and not a single gubernatorial candidate who was an incumbent and a Republican got defeated in 1994, all across America. Absolutely staggering.

So no, Mr. Speaker, this is not a radical plan; no, we are not too far ahead of the American people. The fact of the matter is, this is what the American people elected us to do and it is what we are going to be doing.

Let us talk for a second about what the plan does, Mr. Speaker. First of all, it rewards wise investment. Now, some debate, and I have debated, at times, the necessity for some of the tax cuts and their ability to stimulate the economy. Some have also preferred a 5-year plan. I personally think that I would have preferred that we try to balance the budget in 5 years, but obviously, the Democrats do not think we should balance it in 50 years, let alone 5 years.

There are, of course, some pet programs that we created over the 40 years of the Democratically controlled House that do not get zeroed out as quickly as I would like, and we still have the question of the Social Security trust fund. I think it needs to be offbudget, I do not think we need to calculate that in when we are trying to figure out how to balance the budget.

My gosh, with all of the resistance that we have had to put up with with this very moderate 7-year plan, I would hate to think what would happen if we dared to move even further. On balance, it really is our only hope to achieve the goal that 88 percent of Americans have asked us to achieve, and that is to balance the budget for future generations, which leads to the next question.

Why is it so important? Well, I can give you a personal anecdote. This morning early at 6 o'clock in my home town of Pensacola, FL, I had to leave to catch a plane to come up to Washington, DC, and as I did, I had to say

goodbye to my 7-year-old boy and my 4-year-old boy and tell them that I had to come back to Washington, DC.

As I looked at my 7-year-old, especially, I thought to myself how quickly he had grown. I do not know the numbers. I am sure I could call CBO and get the estimates, but I am sure in his 7 years the budget has absolutely exploded, the budget deficit has exploded. The fact of the matter is, what we do today is going to effect his life and the lives of his children and the lives of their children for generations to come.

I really cannot say this any more straightforwardly, because when you put all of the political rhetoric aside, one fact remains, and it is this one, that we, as a Congress, we as a Congress for the past 40 years have been stealing money from our children, from my 7-year-old boy and my 4-year-old boy, and from other children, simply to pay off political programs that help Members of Congress get reelected. That is what it comes down to. It comes down to power.

I hear people, I hear them trying to scare 85-year-olds, I hear them lying about Medicare. I hear them lying about this balanced budget plan. I step back and I ask myself, what is so important about this job that you would deliberately scare our senior citizens and deliberately scare those who need comfort in their retirement, and would deliberately mortgage my children and their children's future? I mean, at what price do you hold your seat in the House of Representatives or in the U.S. Senate or at the White House? It is not worth it. It is simply not worth it.

So let us get some basic facts out on the table. If we do nothing, then very shortly down the road, in the next year or two, we are going to be spending more money on servicing the debt than we are spending on our entire defense budget. If we do not do something about balancing the budget now under this plan, not only are we going to be doing that, we are also going to come to a time in America where the only things we are spending money on are going to be servicing the debt and those mandatory programs.

Mr. Speaker, there will be no money for children's programs. There will be no money for environmental protection. There will be no money for defending our shores, and in the end, that translates to defending our children. There will be no money for any school lunch programs that liberals have fought so hard to say we need to increase on the Federal level, and there will be no money for any programs that liberals complain were so essential.

This balanced budget plan is ideologically neutral. It is about getting our financial house in order. If we do not do that, again, we are going to be paying for it.

So I do not understand why the Democrats are doing what they are doing. I do not understand why they are misleading the American people

and talking about massive cuts. I do not understand why holding their seat is so important that they would deliberately mislead Americans.

It is the same thing with Medicare. I had a meeting with some senior citizens this weekend and I also had a separate meeting with some physicians to talk about Medicare. Mr. Speaker, the physicians told me that senior citizens would come into their office and thank them for what they had done, but they would say, I guess I will not be able to see you when this Medicare plan passes because they are going to be doing away with Medicare. I mean, that is absolutely unbelievable. Of course, the physicians would explain that that is not the case, that that was just a lot of political rhetoric, but there are a lot of seniors out there that have been deliberately misled.

So let us get the facts out on the table, because obviously we are not going to be getting them from the liberal Democrats. I agree with the Speaker. I really think it shows the demise of the liberal Democratic Party when the last tactic comes down to trying to scare 85-year-old senior citizens.

Here are the basic facts. First, Medicare is broken. Who can deny this? The President of the United States cannot deny it, because in April the President had the Medicare trustees come up with a report to tell him what the status was of Medicare. Was it solvent? Did it need fixing?

The Medicare trustees came back with some dire warnings for the President of the United States. They said, Medicare, as we know it, will be broken and bankrupt in 7 years. Medicare will cease to exist in 7 years if we do not undertake dramatic reforms now.

That was in April. The fact of the matter is, three of the President's own Cabinet members served on that Medicare trustees' board and signed off on the recommendations that Medicare had to be saved.

Well, it is broken. But the plan that is before the Senate and the House and the President today fixes Medicare. It protects and preserves Medicare, but it does something more than that. It moves Medicare into the 21st century, and it does it several ways. But before we talk about all of the changes that are going to be coming to Medicare, I think it is important to point out one basic fact that senior citizens do not know about, and if they do not know about it, it is because they have been misled.

The main fact to understand if you are a senior citizen about Medicare is under this plan, if you liked your Medicare plan, you can keep it. That is right. Nobody is saying that we are going to make you get off of Medicare as you know it. You get to keep Medicare, you can stay enrolled in the same Medicare plan today if that is what you choose to do.

Now, of course, many believe that it was passed in 1965 with few changes

since, and it is in the end a 1965 Blue Cross/Blue Shield plan codified into law run by a Government bureaucracy, but if you like that, you can keep it. But, if you want to be caught up with all of the changes that have happened over the past 30 years, you can also do that too.

First of all, you can enroll in what is called Medicare-plus. You can do one of three things. You can have a medical savings account called Medisave, and in that medical savings account, you can take out a medical IRA, and then use that as your Medicare plan, and you and your physician can decide how you want to apply that money. It gives you the power, it gives you the choices, it gives you the decisions.

Second, of course there is an option for HMO's. If you like HMO plans, you can use them. Some seniors love them, some seniors hate them. But again, the important thing is that the choice is going to be taken out of the hands of the bureaucrats and given to the senior citizens so that they will be empowered.

Let me tell you, the third choice that seniors will have beyond staying on Medicare as they know it is that they are going to be able to enroll in what is called PSN's, provider service networks.

Now, what does that mean? That means that doctors can get together with other doctors, doctors can get together with hospitals, and they can come up with a plan between themselves and between their patients on how they want to treat a patient and how Medicare patients can enroll in their own plans. The best part of it is, it keeps the third parties out of there, it keeps the middle man out of there, and it is going to cut costs.

Insurance companies may not like it, because insurance companies have a lot of middle men in HMO plans that can make a lot of money. But the fact of the matter is that these provider service networks allow the senior citizen to get together with the doctor and come up with a plan that makes the best sense for them.

A lot of people have told me that senior citizens will not like this because it involves changes. Well, I think that is underestimating senior citizens a little bit, because you are giving senior citizens hundreds of options that they never had before. But again, more important, along with all of that change, you are giving them stability. If they want to stay in the plan as they know it today, they are welcome to do that. Who could ask for more?

I have to admit, Mr. Speaker, there is not a whole heck of a lot that I ever thought was very exciting about medicine, about Medicare, about Medicaid, about digging through all of the mess that you have to dig through, but what is exciting about the Medicare reform plan is we are finally infusing the free market and free enterprise into our medical system.

So the senior is empowered, and so the senior and the physicians can make

the decisions. You are talking about the consumer of a good and the supplier of a good without a third-party payer stepping in. That is going to cut down on a lot of waste, fraud, and abuse.

There was a TV show this past week that talked about a lot of waste, fraud, and abuse, and it is highlighted. I held 25 townhall meetings in the month of August. A lot of seniors asked me questions about Medicare, but at the same time they told me about the rampant waste, fraud, and abuse that was occurring in the system. If you added up all of that waste, fraud, and abuse, where people were being overcharged, of not being billed or being billed too much, you could see why this system is in the trouble that it is in.

I had some of these seniors tell me that they called medical providers and said, you have overcharged me, and the medical providers said, well, do not worry about it. But the seniors said, but you have overcharged me, please correct this. They said, you are on Medicare, right? The seniors said, yes. The medical provider said, do not worry about it, it is not your problem. The senior would say, but it is my problem. You have overcharged me; take it off the bill. Finally, the medical provider would say at the end, do not worry, it is not your money. Just do not worry about it, we will take care of it.

Well, the fact of the matter is, it is the seniors' money and it is all Americans' money. We have to cut back on waste, fraud, and abuse and make this system solvent, not only for future generations, but for those that are on Medicare right now for my 92-year-old grandmother, and also for my parents who will be enrolling in Medicare in the next few years. Too much depends on it.

Finally, the third part of the balanced budget plan is welfare reform. Look what this one plan is doing. We are saving Medicare, we are balancing the budget, and we are overturning a welfare system that for the past 30 years has been devastating to this country.

So many people will stand up and say, what will we do without the welfare program that we have today? We should not dare to change it, we should not dare to reform it. Well, the proof is in the pudding, and I challenge anybody who tells me or who tells you that the welfare system has been a success over the past 30 years, I challenge them to drive through south central Los Angeles, or drive through Gary, IN, or drive through the south Bronx, and look at the devastation in those inner cities and tell me that this welfare system has been a plus.

We have spent \$5 trillion over the past 30 years on the Great Society, on this so-called war on poverty that in the end has been a war on hard work, a war on discipline, a war on families, and a war on the very things that made America great.

Mr. Speaker, all you have to do is again, look at the fabric of the inner cities. It is just horrible. As the Speaker has said before, we find ourselves in a country, in this welfare state, where 12-year-olds are having babies, and 15-year-olds are shooting each other, and 18-year-olds are graduating from high schools with diplomas that they cannot even read. Yet, we are told that it would be mean-spirited to end those welfare programs.

I think the reverse of that is the truth. Washington, DC, does not have the answer to every single solitary problem. If our \$5 trillion and our 30 years of social experimentation have shown us anything, it has shown us that social policy cannot be micromanaged from Washington, DC.

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Instead, the answer lies, where our Founding Fathers knew it lay, in the communities, in the States and in the hometowns and not in Washington, DC.

You know, Thomas Jefferson said that the Government that governs least governs best, and James Madison said we have staked the entire future of the American civilization not upon the power of Government, but upon the capacity of each of us to govern ourselves, control ourselves and sustain ourselves according to the 10 Commandments of God.

Read the Constitution, read the 10th amendment. It says all powers not specifically given to the Federal Government are reserved to the States and to the citizens. Well, I believe 30 years after we embarked on this social experimentation program called the Great Society, it is time to turn the power back to where our Founding Fathers knew the power belonged, with individuals, with families and with hometowns. The answers do not lie in Washington, DC, and those 30 years of getting failed social experimentation have shown us in the end that the best social policy is a job.

How do we create jobs? Not through some massive job program in Washington, DC, that socializes even the job process. No, instead, we create jobs by balancing the budget, by bringing down interest rates, by cutting taxes, by cutting regulations and by cutting spending in Washington, DC.

We have had so much testimony before us, and the facts bear it out, that if we dare to balance the budget, we will see interest rates drop at least 2 or 3 percentage points. Alan Greenspan has said that America will see unprecedented economic growth, growth that it has not seen since the end of World War II, if we will only dare to balance the budget. And that is a challenge that I am willing to take up today. That is a challenge that most Members of the Republican Party and many Members of the Democratic Party will dare to take up.

Again, it is not a perfect plan. I voted against one of the plans because it raised the debt ceiling to \$5.5 trillion,

but I voted for the balanced budget plans the other times they passed through Congress earlier this year.

It is time for us to stand up and dare to make a difference, and that is exactly what we are going to do. We are going to return government to where it belongs, at home, and we are going to start doing what middle-class Americans have been doing for 200 years, and that is only spending as much money as we take in. America's future depends on it, and more importantly, my children's future depends on it.

CONFERENCE REPORT ON S. 395

Mr. YOUNG of Alaska submitted the following conference report and statement on the bill (S. 395), to authorize and direct the Secretary of Energy to sell the Alaska Power Administration, and to authorize the export of Alaska North Slope crude oil, and for other purposes:

CONFERENCE REPORT (H. REPT. 104-312)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 395), to authorize and direct the Secretary of Energy to sell the Alaska Power Administration, and to authorize the export of Alaska North Slope crude oil, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1:

That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be stricken by the House amendment, insert the following:

TITLE I—ALASKA POWER ADMINISTRATION ASSET SALE AND TERMINATION ACT

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SEC. 101. SHORT TITLE.

This title may be cited as the "Alaska Power Administration Asset Sale and Termination Act".

SEC. 102. DEFINITIONS.

For purposes of this title:

(1) The term "Eklutna" means the Eklutna Hydroelectric Project and related assets as described in section 4 and Exhibit A of the Eklutna Purchase Agreement.

(2) The term "Eklutna Purchase Agreement" means the August 2, 1989, Eklutna Purchase Agreement between the Alaska Power Administration of the Department of Energy and the Eklutna Purchasers, together with any amendments thereto adopted before the enactment of this section.

(3) The term "Eklutna Purchasers" means the Municipality of Anchorage doing business as Municipal Light and Power, the Chugach Electric Association, Inc. and the Matanuska Electric Association, Inc.

(4) The term "Snettisham" means the Snettisham Hydroelectric Project and related assets as described in section 4 and Exhibit A of the Snettisham Purchase Agreement.

(5) The term "Snettisham Purchase Agreement" means the February 10, 1989, Snettisham Purchase Agreement between the Alaska Power Administration of the Department of Energy and the Alaska Power Authority and its successors in interest, together with any amendments thereto adopted before the enactment of this section.

(6) The term "Snettisham Purchaser" means the Alaska Industrial Development and Export

Authority or a successor State agency or authority.

SEC. 103. SALE OF EKLUTNA AND SNETTISHAM HYDROELECTRIC PROJECTS.

(a) **SALE OF EKLUTNA.**—The Secretary of Energy is authorized and directed to sell Eklutna to the Eklutna Purchasers in accordance with the terms of this Act and the Eklutna Purchase Agreement.

(b) **SALE OF SNETTISHAM.**—The Secretary of Energy is authorized and directed to sell Snettisham to the Snettisham Purchaser in accordance with the terms of this Act and the Snettisham Purchase Agreement.

(c) **COOPERATION OF OTHER AGENCIES.**—The heads of other Federal departments, agencies, and instrumentalities of the United States shall assist the Secretary of Energy in implementing the sales and conveyances authorized and directed by this title.

(d) **PROCEEDS.**—Proceeds from the sales required by this title shall be deposited in the Treasury of the United States to the credit of miscellaneous receipts.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as may be necessary to prepare, survey, and acquire Eklutna and Snettisham for sale and conveyance. Such preparations and acquisitions shall provide sufficient title to ensure the beneficial use, enjoyment, and occupancy by the purchasers.

(f) **CONTRIBUTED FUNDS.**—Notwithstanding any other provision of law, the Alaska Power Administration is authorized to receive, administer, and expend such contributed funds as may be provided by the Eklutna Purchasers or customers or the Snettisham Purchaser or customers for the purposes of upgrading, improving, maintaining, or administering Eklutna or Snettisham. Upon the termination of the Alaska Power Administration under section 104(f), the Secretary of Energy shall administer and expend any remaining balances of such contributed funds for the purposes intended by the contributors.

SEC. 104. EXEMPTION AND OTHER PROVISIONS.

(a) **FEDERAL POWER ACT.**—(1) After the sales authorized by this Act occur, Eklutna and Snettisham, including future modifications, shall continue to be exempt from the requirements of Part I of the Federal Power Act (16 U.S.C. 791a et seq.), except as provided in subsection (b).

(2) The exemption provided by paragraph (1) shall not affect the Memorandum of Agreement entered into among the State of Alaska, the Eklutna Purchasers, the Alaska Energy Authority, and Federal fish and wildlife agencies regarding the protection, mitigation of, damages to, and enhancement of fish and wildlife, dated August 7, 1991, which remains in full force and effect.

(3) Nothing in this title or the Federal Power Act preempts the State of Alaska from carrying out the responsibilities and authorities of the Memorandum of Agreement.

(b) **SUBSEQUENT TRANSFERS.**—Except for subsequent assignment of interest in Eklutna by the Eklutna Purchasers to the Alaska Electric Generation and Transmission Cooperative Inc. pursuant to section 19 of the Eklutna Purchase Agreement, upon any subsequent sale or transfer of any portion of Eklutna or Snettisham from the Eklutna Purchasers or the Snettisham Purchaser to any other person, the exemption set forth in paragraph (1) of subsection (a) of this section shall cease to apply to such portion.

(c) **REVIEW.**—(1) The United States District Court for the District of Alaska shall have jurisdiction to review decisions made under the Memorandum of Agreement and to enforce the provisions of the Memorandum of Agreement, including the remedy of specific performance.

(2) An action seeking review of a Fish and Wildlife Program ("Program") of the Governor of Alaska under the Memorandum of Agreement

or challenging actions of any of the parties to the Memorandum of Agreement prior to the adoption of the Program shall be brought not later than 90 days after the date on which the Program is adopted by the Governor of Alaska, or be barred.

(3) An action seeking review of implementation of the Program shall be brought not later than 90 days after the challenged act implementing the Program, or be barred.

(d) **EKLUTNA LANDS.**—With respect to Eklutna lands described in Exhibit A of the Eklutna Purchase Agreement:

(1) The Secretary of the Interior shall issue rights-of-way to the Alaska Power Administration for subsequent reassignment to the Eklutna Purchasers—

(A) at no cost to the Eklutna Purchasers;

(B) to remain effective for a period equal to the life of Eklutna as extended by improvements, repairs, renewals, or replacements; and

(C) sufficient for the operation of, maintenance of, repair to, and replacement of, and access to, Eklutna facilities located on military lands and lands managed by the Bureau of Land Management, including lands selected by the State of Alaska.

(2) Fee title to lands at Anchorage Substation shall be transferred to Eklutna Purchasers at no additional cost if the Secretary of the Interior determines that pending claims to, and selections of, those lands are invalid or relinquished.

(3) With respect to the Eklutna lands identified in paragraph 1 of Exhibit A of the Eklutna Purchase Agreement, the State of Alaska may select, and the Secretary of the Interior shall convey to the State, improved lands under the selection entitlements in section 6 of the Act of July 7, 1958 (commonly referred to as the Alaska Statehood Act, Public Law 85-508; 72 Stat. 339), and the North Anchorage Land Agreement dated January 31, 1983. This conveyance shall be subject to the rights-of-way provided to the Eklutna Purchasers under paragraph (1).

(e) **SNETTISHAM LANDS.**—With respect to the Snettisham lands identified in paragraph 1 of Exhibit A of the Snettisham Purchase Agreement and Public Land Order No. 5108, the State of Alaska may select, and the Secretary of the Interior shall convey to the State of Alaska, improved lands under the selection entitlements in section 6 of the Act of July 7, 1958 (commonly referred to as the Alaska Statehood Act, Public Law 85-508; 72 Stat. 339).

(f) **TERMINATION OF ALASKA POWER ADMINISTRATION.**—Not later than one year after both of the sales authorized in section 103 have occurred, as measured by the Transaction Dates stipulated in the Purchase Agreements, the Secretary of Energy shall—

(1) complete the business of, and close out, the Alaska Power Administration;

(2) submit to Congress a report documenting the sales; and

(3) return unobligated balances of funds appropriated for the Alaska Power Administration to the Treasury of the United States.

(g) **REPEALS.**—(1) The Act of July 31, 1950 (64 Stat. 382) is repealed effective on the date that Eklutna is conveyed to the Eklutna Purchasers.

(2) Section 204 of the Flood Control Act of 1962 (76 Stat. 1193) is repealed effective on the date that Snettisham is conveyed to the Snettisham Purchaser.

(3) The Act of August 9, 1955, concerning water resources investigation in Alaska (69 Stat. 618), is repealed.

(h) **DOE ORGANIZATION ACT.**—As of the later of the two dates determined in paragraphs (1) and (2) of subsection (g), section 302(a) of the Department of Energy Organization Act (42 U.S.C. 7152(a)) is amended—

(1) in paragraph (1)—

(A) by striking subparagraph (C); and

(B) by redesignating subparagraphs (D), (E), and (F) as subparagraphs (C), (D), and (E) respectively; and

(2) in paragraph (2) by striking out "and the Alaska Power Administration" and by inserting

"and" after "Southwestern Power Administration,".

(i) **DISPOSAL.**—The sales of Eklutna and Snettisham under this title are not considered disposal of Federal surplus property under the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) or the Act of October 3, 1944, popularly referred to as the "Surplus Property Act of 1944" (50 U.S.C. App. 1622).

SEC. 105. OTHER FEDERAL HYDROELECTRIC PROJECTS.

The provisions of this title regarding the sale of the Alaska Power Administration's hydroelectric projects under section 103 and the exemption of these projects from Part I of the Federal Power Act under section 104 do not apply to other Federal hydroelectric projects.

And the House agree to the same.

Amendment numbered 2:

That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

TITLE II—EXPORTS OF ALASKAN NORTH SLOPE OIL

SEC. 201. EXPORTS OF ALASKAN NORTH SLOPE OIL.

Section 28 of the Mineral Leasing Act (30 U.S.C. 185) is amended by amending subsection (s) to read as follows:

"EXPORTS OF ALASKAN NORTH SLOPE OIL

"(s)(1) Subject to paragraphs (2) through (6) of this subsection and notwithstanding any other provision of this Act or any other provision of law (including any regulation) applicable to the export of oil transported by pipeline over right-of-way granted pursuant to section 203 of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1652), such oil may be exported unless the President finds that exportation of this oil is not in the national interest. The President shall make his national interest determination within five months of the date of enactment of this subsection. In evaluating whether exports of this oil are in the national interest, the President shall at a minimum consider—

"(A) whether exports of this oil would diminish the total quantity or quality of petroleum available to the United States;

"(B) the results of an appropriate environmental review, including consideration of appropriate measures to mitigate any potential adverse effects of exports of this oil on the environment, which shall be completed within four months of the date of the enactment of this subsection; and

"(C) whether exports of this oil are likely to cause sustained material oil supply shortages or sustained oil prices significantly above world market levels that would cause sustained material adverse employment effects in the United States or that would cause substantial harm to consumers, including noncontiguous States and Pacific territories.

If the President determines that exports of this oil are in the national interest, he may impose such terms and conditions (other than a volume limitation) as are necessary or appropriate to ensure that such exports are consistent with the national interest.

"(2) Except in the case of oil exported to a country with which the United States entered into a bilateral international oil supply agreement before November 26, 1979, or to a country pursuant to the International Emergency Oil Sharing Plan of the International Energy Agency, any oil transported by pipeline over right-of-way granted pursuant to section 203 of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1652) shall, when exported, be transported by a vessel documented under the laws of the United States and owned by a citizen of the United States (as determined in accordance with

section 2 of the Shipping Act, 1916 (46 U.S.C. App. 802).

"(3) Nothing in this subsection shall restrict the authority of the President under the Constitution, the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), or Part B of title II of the Energy Policy and Conservation Act (42 U.S.C. 6271-76) to prohibit exports.

"(4) The Secretary of Commerce shall issue any rules necessary for implementation of the President's national interest determination, including any licensing requirements and conditions, within 30 days of the date of such determination by the President. The Secretary of Commerce shall consult with the Secretary of Energy in administering the provisions of this subsection.

"(5) If the Secretary of Commerce finds that exporting oil under authority of this subsection has caused sustained material oil supply shortages or sustained oil prices significantly above world market levels and further finds that these supply shortages or price increases have caused or are likely to cause sustained material adverse employment effects in the United States, the Secretary of Commerce, in consultation with the Secretary of Energy, shall recommend, and the President may take, appropriate action concerning exports of this oil, which may include modifying or revoking authority to export such oil.

"(6) Administrative action under this subsection is not subject to sections 551 and 553 through 559 of title 5, United States Code."

SEC. 202. GAO REPORT.

(a) REVIEW.—The Comptroller General of the United States shall conduct a review of energy production in California and Alaska and the effects of Alaskan North Slope oil exports, if any, on consumers, independent refiners, and shipbuilding and ship repair yards on the West Coast and in Hawaii. The Comptroller General shall commence this review three years after the date of enactment of this Act and, within twelve months after commencing the review, shall provide a report to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources and the Committee on Commerce of the House of Representatives.

(b) CONTENTS OF REPORT.—The report shall contain a statement of the principal findings of the review and recommendations for Congress and the President to address job loss in the shipbuilding and ship repair industry on the West Coast, as well as adverse impacts on consumers and refiners on the West Coast and in Hawaii, that the Comptroller General attributes to Alaskan North Slope oil exports.

And the House agree to the same.

Amendment numbered 3:

That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be stricken by the House amendment, insert the following:

SEC. 203. GRANT AUTHORITY.

(a) IN GENERAL.—The Secretary of Transportation ("Secretary") may make grants to the Multnomah County Tax Supervising and Conservation Commission of Multnomah County, Oregon ("Commission") in accordance with this section, not to exceed the amount determined in subsection (b)(2).

(b) FINDING AND DETERMINATION.—Before making any grant under this section not earlier than one year after exports of Alaskan North Slope oil commence pursuant to section 201, the Secretary shall—

(1) find on the basis of substantial evidence that such exports are directly or indirectly a substantial contributing factor to the need to levy port district ad valorem taxes under Oregon Revised Statutes section 294.381; and

(2) determine the amount of such levy attributable to the export of Alaskan North Slope oil.

(c) AGREEMENT.—Before receiving a grant under this section for the relief of port district ad valorem taxes which would otherwise be levied under Oregon Revised Statutes section 294.381, the Commission shall enter into an agreement with the Secretary to—

(1) establish a segregated account for the receipt of grant funds;

(2) deposit and keep grant funds in that account;

(3) use the funds solely for the purpose of payments in accordance with this subsection, as determined pursuant to Oregon Revised Statutes sections 294.305-565, and computed in accordance with generally accepted accounting principles; and

(4) terminate such account at the conclusion of payments subject to this subsection and to transfer any amounts, including interest, remaining in such account to the Port of Portland for use in transportation improvements to enhance freight mobility.

(d) REPORT.—Within 60 days of issuing a grant under this section, the Secretary shall submit any finding and determination made under subsection (b), including supporting information, to the Committee on Energy and Natural Resources of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation to carry out subsection (a), \$15,000,000 for fiscal year 1997, to remain available until October 1, 2003.

And the House agree to the same.

Amendment numbered 4:

That the Senate recede from its disagreement to the amendment of the House numbered 4, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be stricken by the House amendment, insert the following:

TITLE IV—MISCELLANEOUS

SEC. 401. EMERGENCY RESPONSE PLAN.

(a) IN GENERAL.—Within 15 months after the date of the enactment of this Act, the Commandant of the Coast Guard shall submit a plan to Congress on the most cost-effective means of implementing an international private-sector tug-of-opportunity system, including a coordinated system of communication, using existing towing vessels to provide timely emergency response to a vessel in distress transiting the waters within the boundaries of the Olympic Coast National Marine Sanctuary or the Strait of Juan de Fuca.

(b) COORDINATION.—In carrying out this section, the Commandant, in consultation with the Secretaries of State and Transportation, shall coordinate with the Canadian Government and the United States and Canadian maritime industries.

(c) ACCESS TO INFORMATION.—If necessary, the Commandant shall allow United States non-profit maritime organizations access to United States Coast Guard radar imagery and responder information to identify and deploy towing vessels for the purpose of facilitating emergency response.

(d) TOWING VESSEL DEFINED.—For the purpose of this section, the term "towing vessel" has the meaning given that term by section 2101(40) of title 46, United States Code.

And the House agree to the same.

Amendment numbered 5:

That the Senate recede from its disagreement to the amendment of the House numbered 5, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be stricken by the House amendment, insert the following:

TITLE III—OUTER CONTINENTAL SHELF DEEP WATER ROYALTY RELIEF

SEC. 301. SHORT TITLE.

This title may be referred to as the "Outer Continental Shelf Deep Water Royalty Relief Act".

SEC. 302. AMENDMENTS TO THE OUTER CONTINENTAL SHELF LANDS ACT.

Section 8(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)), is amended—

(1) by designating the provisions of paragraph (3) as subparagraph (A) of such paragraph (3); and

(2) by inserting after subparagraph (A), as so designated, the following:

"(B) In the Western and Central Planning Areas of the Gulf of Mexico and the portion of the Eastern Planning Area of the Gulf of Mexico encompassing whole lease blocks lying west of 87 degrees, 30 minutes West longitude, the Secretary may, in order to—

"(i) promote development or increased production on producing or non-producing leases; or

"(ii) encourage production of marginal resources on producing or non-producing leases; through primary, secondary, or tertiary recovery means, reduce or eliminate any royalty or net profit share set forth in the lease(s). With the lessee's consent, the Secretary may make other modifications to the royalty or net profit share terms of the lease in order to achieve these purposes.

"(C)(i) Notwithstanding the provisions of this Act other than this subparagraph, with respect to any lease or unit in existence on the date of enactment of the Outer Continental Shelf Deep Water Royalty Relief Act meeting the requirements of this subparagraph, no royalty payments shall be due on new production, as defined in clause (iv) of this subparagraph, from any lease or unit located in water depths of 200 meters or greater in the Western and Central Planning Areas of the Gulf of Mexico, including that portion of the Eastern Planning Area of the Gulf of Mexico encompassing whole lease blocks lying west of 87 degrees, 30 minutes West longitude, until such volume of production as determined pursuant to clause (ii) has been produced by the lessee.

"(ii) Upon submission of a complete application by the lessee, the Secretary shall determine within 180 days of such application whether new production from such lease or unit would be economic in the absence of the relief from the requirement to pay royalties provided for by clause (i) of this subparagraph. In making such determination, the Secretary shall consider the increased technological and financial risk of deep water development and all costs associated with exploring, developing, and producing from the lease. The lessee shall provide information required for a complete application to the Secretary prior to such determination. The Secretary shall clearly define the information required for a complete application under this section. Such application may be made on the basis of an individual lease or unit. If the Secretary determines that such new production would be economic in the absence of the relief from the requirement to pay royalties provided for by clause (i) of this subparagraph, the provisions of clause (i) shall not apply to such production. If the Secretary determines that such new production would not be economic in the absence of the relief from the requirement to pay royalties provided for by clause (i), the Secretary must determine the volume of production from the lease or unit on which no royalties would be due in order to make such new production economically viable; except that for new production as defined in clause (iv)(1), in no case will that volume be less than 17.5 million barrels of oil equivalent in water depths of 200 to 400 meters, 52.5 million barrels of oil equivalent in 400-800 meters of water, and 87.5 million barrels of oil equivalent in water depths greater than 800 meters. Re-determination of the applicability of clause (i)

shall be undertaken by the Secretary when requested by the lessee prior to the commencement of the new production and upon significant change in the factors upon which the original determination was made. The Secretary shall make such redetermination within 120 days of submission of a complete application. The Secretary may extend the time period for making any determination or redetermination under this clause for 30 days, or longer if agreed to by the applicant, if circumstances so warrant. The lessee shall be notified in writing of any determination or redetermination and the reasons for and assumptions used for such determination. Any determination or redetermination under this clause shall be a final agency action. The Secretary's determination or redetermination shall be judicially reviewable under section 10(a) of the Administrative Procedures Act (5 U.S.C. 702), only for actions filed within 30 days of the Secretary's determination or redetermination.

"(iii) In the event that the Secretary fails to make the determination or redetermination called for in clause (ii) upon application by the lessee within the time period, together with any extension thereof, provided for by clause (ii), no royalty payments shall be due on new production as follows:

"(I) For new production, as defined in clause (iv)(I) of this subparagraph, no royalty shall be due on such production according to the schedule of minimum volumes specified in clause (ii) of this subparagraph.

"(II) For new production, as defined in clause (iv)(II) of this subparagraph, no royalty shall be due on such production for one year following the start of such production.

"(iv) For purposes of this subparagraph, the term 'new production' is—

"(I) any production from a lease from which no royalties are due on production, other than test production, prior to the date of enactment of the Outer Continental Shelf Deep Water Royalty Relief Act; or

"(II) any production resulting from lease development activities pursuant to a Development Operations Coordination Document, or supplement thereto that would expand production significantly beyond the level anticipated in the Development Operations Coordination Document, approved by the Secretary after the date of enactment of the Outer Continental Shelf Deep Water Royalty Relief Act.

"(v) During the production of volumes determined pursuant to clauses (ii) or (iii) of this subparagraph, in any year during which the arithmetic average of the closing prices on the New York Mercantile Exchange for light sweet crude oil exceeds \$28.00 per barrel, any production of oil will be subject to royalties at the lease stipulated royalty rate. Any production subject to this clause shall be counted toward the production volume determined pursuant to clause (ii) or (iii). Estimated royalty payments will be made if such average of the closing prices for the previous year exceeds \$28.00. After the end of the calendar year, when the new average price can be calculated, lessees will pay any royalties due, with interest but without penalty, or can apply for a refund, with interest, of any overpayment.

"(vi) During the production of volumes determined pursuant to clause (ii) or (iii) of this subparagraph, in any year during which the arithmetic average of the closing prices on the New York Mercantile Exchange for natural gas exceeds \$3.50 per million British thermal units, any production of natural gas will be subject to royalties at the lease stipulated royalty rate. Any production subject to this clause shall be counted toward the production volume determined pursuant to clauses (ii) or (iii). Estimated royalty payments will be made if such average of the closing prices for the previous year exceeds \$3.50. After the end of the calendar year, when the new average price can be calculated, lessees will pay any royalties due, with interest but without penalty, or can apply for a refund, with interest, of any overpayment.

"(vii) The prices referred to in clauses (v) and (vi) of this subparagraph shall be changed during any calendar year after 1994 by the percentage, if any, by which the implicit price deflator for the gross domestic product changed during the preceding calendar year."

SEC. 303. NEW LEASES.

Section 8(a)(1) of the Outer Continental Shelf Lands Act, as amended (43 U.S.C. 1337(a)(1)) is amended—

(1) by redesignating subparagraph (H) as subparagraph (I);

(2) by striking "or" at the end of subparagraph (G); and

(3) by inserting after subparagraph (G) the following new subparagraph:

"(H) cash bonus bid with royalty at no less than 12 and 1/2 per centum fixed by the Secretary in amount or value of production saved, removed, or sold, and with suspension of royalties for a period, volume, or value of production determined by the Secretary, which suspensions may vary based on the price of production from the lease; or"

SEC. 304. LEASE SALES.

For all tracts located in water depths of 200 meters or greater in the Western and Central Planning Area of the Gulf of Mexico, including that portion of the Eastern Planning Area of the Gulf of Mexico encompassing whole lease blocks lying west of 87 degrees, 30 minutes West longitude, any lease sale within five years of the date of enactment of this title, shall use the bidding system authorized in section 8(a)(1)(H) of the Outer Continental Shelf Lands Act, as amended by this title, except that the suspension of royalties shall be set at a volume of not less than the following:

(1) 17.5 million barrels of oil equivalent for leases in water depths of 200 to 400 meters;

(2) 52.5 million barrels of oil equivalent for leases in 400 to 800 meters of water; and

(3) 87.5 million barrels of oil equivalent for leases in water depths greater than 800 meters.

SEC. 305. REGULATIONS.

The Secretary shall promulgate such rules and regulations as are necessary to implement the provisions of this title within 180 days after the enactment of this Act.

SEC. 306. SAVINGS CLAUSE.

Nothing in this title shall be construed to affect any offshore pre-leasing, leasing, or development moratorium, including any moratorium applicable to the Eastern Planning Area of the Gulf of Mexico located off the Gulf Coast of Florida.

And the House agree to the same.

Amendment to title:

That the House recede from its amendment to the title of the bill.

For consideration of House amendment No. 1:

DON YOUNG,
KEN CALVERT,
TOM BLILEY,

For consideration of House amendment No. 2:

DON YOUNG,
KEN CALVERT,
WILLIAM THOMAS,
TOM BLILEY,
HOWARD COBLE,
LEE H. HAMILTON,
JIM OBERSTAR,

For consideration of House amendment No. 3:

FLOYD SPENCE,
JOHN R. KASICH,

For consideration of House amendment No. 4:

TILLIE K. FOWLER,
JIM OBERSTAR,

For consideration of House amendment No. 5:

DON YOUNG,
KEN CALVERT,

Managers on the Part of the House.

FRANK H. MURKOWSKI,
PETE V. DOMENICI,
J. BENNETT JOHNSTON,
WENDELL FORD,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 395) to authorize and direct the Secretary of Energy to sell the Alaska Power Administration, and to authorize the export of Alaska North Slope crude oil, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

House amendment numbered 1 struck title I of the Senate bill. House amendment numbered 2 struck sections 201 through 204 of the Senate bill and inserted the text of H.R. 70, as passed by the House. House amendment numbered 3 struck section 205 of the Senate bill. House amendment numbered 4 struck section 206 of the Senate bill. House amendment numbered 5 struck title III of the Senate bill.

With respect to House amendment numbered 1, 2, 3, 4, and 5, and Senate receded from its disagreement to each House numbered amendment with an amendment.

The differences between the Senate bill, the House amendments, and the amendment agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I—ALASKA POWER ADMINISTRATION ASSET SALE AND TERMINATION SENTE BILL

Title I of the Senate bill provides for the sale of the Alaska Power Administration's (APA) assets, and the termination of the APA once the sale occurs. It also provides for the exemption of the two hydroelectric projects from the licensing requirements of Part I of the Federal Power Act.

HOUSE AMENDMENT NUMBERED 1

The House amendment struck Title I of the Senate bill.

CONFERENCE AGREEMENT

The House receded to the Senate with an amendment.

The Conference Report adopts the Senate language with minor changes. The APA's assets will be sold pursuant to the 1989 purchase agreements between the Department of Energy and the purchasers. The Snettisham hydroelectric project and related assets will be sold to the State of Alaska, the Eklutna hydroelectric project and related assets will be sold jointly to the Municipality of Anchorage, the Chugach Electric Association, and the Matanuska Electric Association. For both projects, the sale price is determined by calculating the net present value of the remaining debt service payments the Treasury would receive if the Federal Government retained ownership.

This provision and the separate formal agreements provide for the full protection of fish and wildlife. The purchasers, the State of Alaska, the National Marine Fisheries Service (NMFS), and the U.S. Fish and Wildlife Service (USFWS) have entered into a formal agreement providing for post-sale protection, mitigation, and enhancement of fish and wildlife resources affected by Eklutna and Snettisham. This provision makes that agreement legally enforceable.

As a result of the formal agreements, the Department of Energy, the Department of

the Interior, and NMFS all agree that the two hydroelectric projects warrant exemption from the Federal Energy Regulatory Commission (FERC) licensing under Part I of the Federal Power Act. The August 7, 1991, formal purchase agreement states:

NMFS, USFWS and the State agree that the following mechanism to develop and implement measures to protect, mitigate damages to, and enhance fish and wildlife (including related spawning grounds and habitat) *obviate the need for the Eklutna Purchasers and AEA to obtain FERC licenses.* [Emphasis supplied.]

The Alaska Power Administration has 34 people located in the State of Alaska. The purchasers of the two projects have pledged to hire as many of these as possible. For those who do not receive offers of employment, the Department of Energy has pledged it will offer employment to any remaining APA employees, although the DOE jobs are expected to be in the lower 48 States.

The House-passed bill did not contain any comparable provisions. The Conference Agreement adopts the Senate-passed bill with two material changes.

First, section 104(a)(1) of the Conference Agreement provides an exemption for Eklutna and Snettisham only from Part I of the Federal Power Act (hydroelectric licensing), not from the entire Federal Power Act. That was intended by the Senate. By making this change, the Conferees do not intend to imply that the purchasers who are already exempt from other aspects of the Federal Power Act lose that broader exemption. Nor do the Conferees intend to imply that merely by reason of this provision the other parts of the Federal Power Act apply to Eklutna and Snettisham. They apply if they would have applied in the absence of this provision.

Second, new section 104(b) provides that upon sale or transfer of any portion of Eklutna or Snettisham from the purchasers to any person (i.e. a person other than a purchaser defined in section 102), the exemption from Part I of the Federal Power Act shall cease to apply to that portion of Eklutna or Snettisham. However, the exemption from Part I will continue to apply if the sale or transfer is from one purchaser to another purchaser, as defined in section 102. The elimination of exemption from Part I for a sold or transferred portion of Eklutna or Snettisham does not mandate the licensing of that portion, it only eliminates the exemption from the application of Part I. If licensing is not otherwise required under Part I of the Federal Power Act for that portion, it is not required by reason of section 104(b). The disposition of a portion of the Eklutna or Snettisham assets does not affect the remaining portions. The one exception to this rule is a subsequent assignment of interests in Eklutna by the Eklutna Purchasers to the Alaska Electric Generation and Transmission Cooperative Inc. pursuant to section 19 of the Eklutna Purchase Agreement will not result in the elimination of the exemption from Part I of the Federal Power Act for that interest.

Sections 104(d) and 104(e) address selection and transfer of Eklutna and Snettisham lands. It is the intent of these provisions that notwithstanding the expiration of the right of the State of Alaska to make selections under section 6 of the Alaska Statehood Act, the State may select lands pursuant to this provision and the Eklutna and Snettisham Purchase Agreements. Likewise, it is the intent of this legislation that the Secretary of the Interior shall convey lands selected by the State of Alaska, notwithstanding any limitations contained in section 6(b) of the Alaska Statehood Act.

The Conferees agree that the circumstances justifying exemption from li-

censing under Part I of the Federal Power Act for these two Federally-owned hydroelectric projects are unique, and that they would not justify a similar exemption for any other Federally-owned hydroelectric project if sold. The Conferees agree that if other Federally-owned hydroelectric projects whose generation is marketed by other Federal power marketing administrations are privatized, these circumstances would not justify an exemption from Part I. This is reflected in section 105 of the Conference Agreement.

TITLE II—EXPORTS OF ALASKAN NORTH SLOPE OIL

SENATE BILL

Sections 201 through 204 of Title II of the Senate bill authorized exports of Alaskan North Slope (ANS) crude oil; mandated the filing of additional information in an annual report under the Energy Policy and Conservation Act; and required a study by the General Accounting Office (GAO).

HOUSE AMENDMENT NUMBERED 2

The House amendment similarly authorized exports of ANS crude oil and provided for a GAO study.

CONFERENCE AGREEMENT

The Senate receded to the House language with an amendment.

Under section 201, Committee of Conference recommends authorizing exports of ANS oil under terms substantially similar to, and drawn from, both the Senate bill and the House amendment.

Paragraph (1) authorizes ANS exports, making inapplicable the general and specific restrictions on these exports in Section 7(d) of the Export Administration Act of 1979 (50 U.S.C. App. §2406(b)), Section 28(u) of the Mineral Leasing Act of 1920 (30 U.S.C. §185), Section 103 of the Energy Policy and Conservation Act (42 U.S.C. §6212), and the Short Supply regulations issued thereunder. However, the export of the oil can be stopped if the President determines (within five months of the date of enactment) that they would not be in the national interest. (Other statutory restrictions on the export of U.S. crude oil either inapplicable or superseded with respect to ANS exports are 10 U.S.C. §7430 and 29 U.S.C. §1354, restricting exports of crude oil from the Naval Petroleum Reserve and the outer continental shelf.)

Before making the national interest determination, the President must consider an appropriate environmental review (to be completed within four months of enactment). Consistent with the 1973 Trans-Alaska Pipeline Authorization Act, the President also must consider whether exports would diminish the total quantity or quality of petroleum available to the United States. The President must also consider whether exports are likely to cause sustained material oil supply shortages or sustained oil prices significantly above world market levels that would cause sustained material adverse employment effects in the United States or that would cause substantial harm to consumers, in particular in noncontiguous States and Pacific territories.

In a comprehensive report submitted to Congress, the Department of Energy found "no plausible evidence of any direct negative environmental impact from lifting the ANS crude export ban." Based on this finding and the weight of the testimony, section 201 of the Conference Agreement directs, as the "appropriate environmental review," an abbreviated four-month study. The environmental review is intended to be thorough and comprehensive, but in light of the prior Department of Energy findings and the compressed time frame, neither a full Environmental Impact Statement nor even a more

limited Environmental Assessment is contemplated. If any potential adverse effects on the environment are found, the study is to recommend "appropriate measures" to mitigate or cure them.

In making the national interest determination, the President is authorized to impose appropriate terms and conditions, other than a volume limitation, on ANS exports. However, nothing in this section or Title IV of the Conference Agreement authorizes the imposition of new requirements for oil spill prevention and response in locations which would not be affected by ANS exports, such as the Strait of Juan de Fuca or within the boundaries of the Olympic Coast National Marine Sanctuary.

The Conference Agreement takes cognizance of the changed condition of national oil demand and available oil resources. Title II is intended to permit ANS crude oil to compete with other crude oil in the world market under normal market conditions. To facilitate this competition and in recognition that section 201 specifically precludes imposition of a volume limitation, the President should direct that exports proceed under a general license. In further recognition that some information (such as volume and price) will be needed to monitor exports, the President may wish to impose after-the-fact reporting requirements as may be deemed appropriate by the Secretary of Commerce.

Given the anticipated substantial benefits to the Nation of ANS exports, the Conferees urge the President to make the national interest determination as promptly as possible. If the President fails to make the required national interest determination within the statutorily imposed deadline, ANS oil exports are authorized without intervening action by the President or the Secretary of Commerce.

Section 201 requires, with limited exceptions, that ANS exports be carried in U.S.-flag vessels. The only exceptions are exports to Israel under the terms of a specific bilateral treaty that entered into force in 1979 and exports to a country pursuant to the International Emergency Oil Sharing Plan of the International Energy Agency. The Committee of Conference concurs with the Administration's assessment that the U.S.-flag cargo reservation requirement is consistent with U.S. international obligations and is supported by ample precedent, including in particular a comparable provision in the U.S.-Canada Free Trade Agreement, as implemented under U.S. law.

Section 201 preserves any authority the President may have under the Constitution and the enumerated statutes to prohibit ANS exports in an emergency.

Section 201 also directs the Secretary of Commerce to issue any rules necessary to govern ANS exports within 30 days of the President's national interest determination. In light of the clear benefits to the Nation of ANS exports, the Conferees urge the Secretary of Commerce to promulgate any rules necessary to implement that determination, including any licensing requirements and conditions, contemporaneously with the determination.

Section 201 further provides that, if the Secretary of Commerce (after consulting with the Secretary of Energy) later finds that exports have caused sustained material oil shortages or sustained prices significantly above the world level and that the shortages or high prices have caused or are likely to cause sustained material job losses, the Secretary must recommend appropriate action, including modification or revocation of the authority to export ANS oil. The President has the discretion to adopt, reject, or modify any recommendation made by the

Secretary. In recognition that prices fluctuate and supply patterns change under normal market conditions, the authority of the Secretary is limited to addressing activity that causes the specified sustained unanticipated price and supply effects.

Finally, section 201 provides that administrative action is not subject to notice and comment rulemaking requirements or other requirements of the Administrative Procedures Act.

Under section 202, the Committee of Conference recommends that a GAO report be submitted four years after the date of enactment. The report must contain a statement of principal findings and recommendations to address job loss in the shipbuilding and ship repair industry on the West Coast and Hawaii, if any, as well as adverse impacts on consumers and refiners on the West Coast and in Hawaii, if any, that the Comptroller General attributes to ANS exports. The Committee believes that the market should be given a reasonable period of time to operate before submission of the report. The Conference wants to be sure the Comptroller General has a solid basis on which to make his analysis and offer any recommendations for Congress and the President.

SENATE BILL

Section 205 of Title II provided for the retirement of certain costs incurred for the construction of a non-Federal publicly-owned shipyard.

HOUSE AMENDMENT

House amendment numbered 3 struck section 205 of the Senate bill.

CONFERENCE AGREEMENT

The Senate receded from its disagreement with an amendment (now designated as section 203).

Under section 203(a) of the conference amendment, the Secretary of Transportation is authorized to make grants to the Multnomah County Tax Supervising and Conservation Commission of Multnomah County, Oregon. The grants may be used only for the relief of port district ad valorem taxes that would otherwise be levied under Oregon law. In addition, at the conclusion of the grant payments under this section, any remaining funds (plus interest) would be transferred to the Port of Portland for making transportation improvements to enhance freight mobility.

Under subsection (b), before issuing any grant, the Secretary must find on the basis of substantial evidence that Alaskan North Slope oil exports are a contributing factor to the need to levy certain port district taxes. In addition, the Secretary must determine the amount of the tax levy attributed to the oil exports. The amount of the grants is limited to the amount of the tax levy attributed to the oil exports.

Before receiving any grant under this section, subsection (c) requires the Commission (by agreement with the Secretary) to establish a separate account for the funds, to use the funds as directed, and to terminate the account and transfer any remaining funds to the Port of Portland at the conclusion of the grants.

Under Subsection (d), the Secretary must report to the relevant Congressional Committees on any findings and determinations made under subsection (b) within 60 days of issuing a grant under this section.

Subsection (e) provides an authorization for appropriations of up to \$15 million for fiscal year 1997, to remain available until October 1, 2003.

SENATE BILL

Section 206 of the Senate bill included a provision that would amend Title VI of the Oil Pollution Act of 1990 (OPA '90) by adding

a new section 6005 that would impose a requirement for an additional towing vessel to be listed in, and available to respond under, vessel response plans developed in accordance with section 311(j) of the Federal Water Pollution Control Act (FWPCA), as amended by OPA '90, for tank vessels operating within the boundaries of the Olympic Coast National Marine Sanctuary or the Strait of Juan de Fuca near the coastline of the State of Washington. In particular, the provision would require an emergency response tugboat capable of towing tank vessels, initial firefighting, and initial oil spill response to be repositioned in the area of Neah Bay, the western-most harbor in the Strait.

HOUSE AMENDMENT

The House amendment numbered 4 struck section 206 of the Senate bill.

CONFERENCE AGREEMENT

The Senate receded from its disagreement with an amendment (now designated as Title IV of this Act). See explanation below.

TITLE III—OUTER CONTINENTAL SHELF DEEP WATER ROYALTY RELIEF

SENATE BILL

Title III of the Senate bill would provide royalty relief for leases on Outer Continental Shelf tracts in deep water in certain areas of the Gulf of Mexico.

HOUSE AMENDMENT

The House amendment numbered 5 struck title III of the Senate bill.

CONFERENCE AGREEMENT

The Senate recedes from its disagreement with the House with an amendment.

The amendment agreed to by the committee of conference is the text of Title III of S. 395 as passed by the Senate with several technical corrections and a new provision clarifying that nothing in this title shall be construed to affect any offshore pre-leasing, leasing, or development moratorium, including any moratorium applicable to the Eastern Planning Area of the Gulf of Mexico located off the Gulf Coast of Florida.

TITLE IV—MISCELLANEOUS

OPA '90 contemplates a comprehensive approach to oil spill prevention and response, with the Coast Guard given an instrumental role in implementing all aspects of that Act. In addition to establishing a new liability and compensation scheme for oil spills, OPA '90 amended existing law to broaden the Coast Guard's authority under the Ports and Waterways Safety Act (PWSA) regarding navigation and vessel safety and protection of the marine environment and the FWPCA regarding oil spill prevention and response. Under OPA '90 (as delegated by the President), the Coast Guard is the principal Federal agency charged with conducting Federal removal and prevention activities in coastal areas. Accordingly, the Committee of Conference believes that the Coast Guard is the most appropriate agency to evaluate emergency response services in the Olympic Coast National Marine Sanctuary and the Strait of Juan de Fuca.

Subsection (a) of title IV requires the Commandant of the Coast Guard to submit to Congress within fifteen months of enactment a plan on the most cost effective means of implementing an international private-sector tug-of-opportunity system to utilize existing towing vessels to provide emergency response services to any vessel (including a tank vessel) in distress transiting the waters within the boundaries of the Olympic Coast National Marine Sanctuary or the Strait of Juan de Fuca.

Subsection (b) provides that the Commandant, in consultation with the Secretaries of the State and Transportation, is to co-

ordinate with the Canadian Government and with both Canadian and American maritime industries.

Subsection (c) provides that if necessary, the Commandant is to allow United States non-profit maritime organizations access to Coast Guard radar imagery and transponder information to identify and deploy towing vessels for the purpose of facilitating emergency response.

Subsection (d) provides for the definition of "towing vessel" as that term is defined under title 46, United States Code. Section 2101(40) of title 46, United States Code, defines towing vessels to mean "a commercial vessel engaged in or intending to engage in the service of pulling, pushing, or hauling alongside, or any combination of pulling, pushing, or hauling alongside." The reference to this section ensures that, at a minimum, all commercial towing vessels are included in the definition and, therefore, are covered by the provisions of this section.

Section 206 of the Senate bill was developed to respond to a perceived threat to the marine environment of Puget Sound and the Straits of Juan de Fuca from tank vessel traffic. The Committee of Conference believes that, absent convincing information to the contrary, the marine environment of Puget Sound is adequately protected under the existing vessel response plan requirement found in FWPCA, as amended by OPA '90. The Senate provision is therefore unnecessary because the Coast Guard's existing authority under OPA '90 to prevent and respond to oil spills, as well as under PWSA and FWPCA (particularly as those two statutes have been amended by the OPA '90), to evaluate and to impose vessel operating requirements to minimize the risks of navigation and vessel safety and risks to the marine environment is fully sufficient to address the needs of the waterways of the United States, including Puget Sound and the Strait of Juan de Fuca.

Accordingly, the Committee of Conference does not believe that the mandate implicit in the Senate provision is required nor is it related to any authorization to export Alaskan North Slope crude oil. The Committee believes that the more appropriate step is to require the Coast Guard to examine the most cost-effective method to use existing towing vessel resources in a tug-of-opportunity system within the authority of existing law to respond to any vessel (including a tank vessel in distress). Consequently, nothing in this section or in section 201 is intended to authorize the President or the Coast Guard to impose additional oil spill preventing and response requirements in the Strait of Juan de Fuca or within the boundaries of the Olympic Coast National Marine Sanctuary in excess of those in the relevant Area Contingency Plan for those areas as a result of requiring the Commandant to submit this plan to Congress nor to impose requirements under any national interest determination or implementing regulations regarding the export of Alaskan oil.

For consideration of House amendment No. 1:

DON YOUNG,
KEN CALVERT,
TOM BLILEY,

For consideration of House amendment No. 2:

DON YOUNG,
KEN CALVERT,
WILLIAM THOMAS,
TOM BLILEY,
HOWARD COBLE,
LEE H. HAMILTON,
JIM OBERSTAR,

For consideration of House amendment No. 3:

FLOYD SPENCE,

JOHN R. KASICH,
For consideration of House amendment No.
4:

TILLIE K. FOWLER,
JIM OBERSTAR,

For consideration of House amendment No.
5:

DON YOUNG,
KEN CALVERT,

Managers on the Part of the House.

FRANK H. MURKOWSKI,
PETE V. DOMENICI,
J. BENNETT JOHNSTON,
WENDELL FORD,

Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FRANK of Massachusetts) to revise and extend their remarks and include extraneous material:)

Mr. BENTSEN, for 5 minutes, today.

Mrs. SCHROEDER, for 5 minutes, today.

Mr. FRANK of Massachusetts, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. WISE, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SCARBOROUGH) and to include extraneous matter:)

Mr. BOEHNER.

Mr. PALLONE.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1097. An act to designate the Federal building located at 1550 Dewey Avenue, Baker City, Oregon, as the "David J. Wheeler Federal Building," and for other purposes; to the Committee on Transportation and Infrastructure.

ADJOURNMENT

Mr. SCARBOROUGH. Mr. Speaker, I move that the House to now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 3 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, November 7, 1995, at 12:30 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1595. A letter from the Comptroller, Department of Defense, transmitting a report

of a violation of the Anti-Deficiency Act which occurred at the Kelly Air Force Base, TX, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

1596. A letter from the Secretary, Department of Treasury, transmitting a copy of the sixth monthly report pursuant to the Mexican Debt Disclosure Act of 1995, pursuant to Public Law 104-6, section 404(a) (109 Stat. 90); to the Committee on Banking and Financial Services.

1597. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation to authorize financial institutions to disclose to the Office of Personnel Management the names and current addresses of their customers who are receiving, by direct deposit or electronic fund transfer, payments of Civil Service retirement benefits under chapter 83 or Federal employees' retirement benefits under chapter 84 of title 5, United States Code; to the Committee on Banking and Financial Services.

1598. A letter from the Executive Director, Thrift Depositor Protection Oversight Board, transmitting semiannual reports on the activities and efforts of the RTC, the Federal Deposit Insurance Corporation, and the Thrift Depositor Protection Oversight Board, pursuant to 12 U.S.C. 141a(k); to the Committee on Banking and Financial Services.

1599. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of the proposed manufacture of defense articles and the proposed insurance of export license agreement for the transfer of defense articles or defense services to Japan (Transmittal No. DTC-6055-95), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

1600. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for production of major military equipment with Israel (Transmittal No. DTC-58-95), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

1601. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for production of major military equipment with Japan (Transmittal No. DTC-56-95), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

1602. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for production of major military equipment with Egypt (Transmittal No. DTC-59-95), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

1603. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed issuance of export license agreement for the transfer of defense articles or defense services sold commercially to the Netherlands (Transmittal No. 5-96), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

1604. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed issuance of export license agreement for the transfer of defense articles or defense services sold commercially to Israel (Transmittal No. MC-1-96), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

1605. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11-146, "Rental of Public Structures in Public Space Temporary Act of 1995," pursuant to D.C. Code, section 1-

233(c)(1); to the Committee on Government Reform and Oversight.

1606. A letter from the Executive Director, Marine Mammal Commission, transmitting a copy of the 1995 annual report of the Commission, pursuant to 16 U.S.C. 1404; to the Committee on Government Reform and Oversight.

1607. A letter from the Executive Director, Neighborhood Reinvestment Corporation, transmitting the Agency's annual report in compliance with the Inspector General Act Amendments of 1988, pursuant to 5 U.S.C. app. (Insp. Gen. Act) Sec. 5(b); to the Committee on Government Reform and Oversight.

1608. A letter from the Office of Special Counsel, transmitting the annual report for fiscal year 1995, pursuant to Public Law 101-12, section 3(a)(11) (103 Stat. 29); to the Committee on Government Reform and Oversight.

1609. A letter from the Chairman, Advisory Council on Historic Preservation, transmitting a copy of the report to the President and Congress 1994-95, pursuant to 16 U.S.C. 470(b); to the Committee on Resources.

1610. A letter from the Chair, Administrative Conference of the United States, transmitting a copy of the report entitled: "Building Consensus in Agency Rulemaking: Implementing the Negotiated Rulemaking Act," pursuant to 5 U.S.C. 569(d)(3); to the Committee on the Judiciary.

1611. A letter from the Chairman, Administrative Conference of the United States, transmitting the report on agency activity under the Equal Access to Justice Act for the period October 1, 1993, through September 30, 1994, pursuant to 5 U.S.C. 504(e); to the Committee on the Judiciary.

1612. A letter from the Secretary, Department of Transportation, transmitting a copy of the Oil Pollution Prevention Training Study Act, pursuant to Public Law 101-380, section 4117 (104 Stat. 523); to the Committee on Transportation and Infrastructure.

1613. A letter from the Director, Office of Personnel Management, transmitting a copy of a draft bill to provide for accrual accounting of retirement costs for Federal civilian employees, and for other purposes; jointly, to the Committees on Government Reform and Oversight, International Relations, and Intelligence (Permanent Select).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2437. A bill to provide for the exchange of certain lands in Gilpin County, CO; with an amendment (Rept. 104-305). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1838. A bill to provide for an exchange of lands with the Water Conservancy District of Washington County, UT (Rept. 104-306). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1585. A bill to expand the boundary of the Modoc National Forest to include lands presently owned by the Bank of California, N.A. Trustee, to facilitate a land exchange with the Forest Service, and for other purposes (Rept. 104-307). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1581. A bill to require the Secretary of Agriculture to convey certain lands

under the jurisdiction of the Department of Agriculture to the city of Sumpter, OR (Rept. 104-308). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 924. A bill to prohibit the Secretary of Agriculture from transferring any National Forest System lands in the Angeles National Forest in California out of Federal ownership for use as a solid waste landfill (Rept. 104-309). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 207. A bill to authorize the Secretary of Agriculture to enter into a land exchange involving the Cleveland National Forest, CA, and to require a boundary adjustment for the national forest to reflect the land exchange, and for other purposes; with an amendment (Rept. 104-310). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 2539. A bill to abolish the Interstate Commerce Commission, to amend subtitle IV of title 49, United States Code, to reform economic regulation of transportation, and for other purposes; with an amendment (Rept. 104-311). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee of Conference. Conference report on S. 395. An act

to authorize and direct the Secretary of Energy to sell the Alaska Power Administration, and to authorize the export of Alaska North Slope crude oil, and for other purposes (Rept. 104-312). Ordered to be printed.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

[Submitted November 3, 1995]

H.R. 994. The Committee on Commerce discharged. Referred to the Committee on the Judiciary extended for a period ending not later than November 7, 1995.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. SCHROEDER (for herself, Mr. ACKERMAN, Mr. DURBIN, Mr. ROMERO-BARCELO, Mr. EVANS, Mr. LAFALCE, Mr. LIPINSKI, and Miss COLLINS of Michigan):

H.R. 2585. A bill to amend the Internal Revenue Code of 1986 to increase the excise taxes on smokeless tobacco to an amount equivalent to the tax on cigarettes and to use the resulting revenues to fund a trust fund for programs to reduce the use of smokeless tobacco; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 44: Mr. WELDON of Florida.
 H.R. 632: Mr. BRYANT of Texas.
 H.R. 773: Mr. BISHOP.
 H.R. 1046: Mr. EVANS, Mr. FOGLIETTA, Mr. CLEMENT, and Mrs. LOWEY.
 H.R. 1834: Mrs. CUBIN and Mr. LUCAS.
 H.R. 1971: Mr. SCHUMER.
 H.R. 2008: Mr. WAXMAN.
 H.R. 2463: Mr. OWENS.
 H.R. 2535: Mr. STUMP.
 H.R. 2551: Mr. JEFFERSON.