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Senate

The Senate met at 11 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Lord of history, we thank You for inspiring memories of heroism in the past that give us courage for living our faith boldly in the present. Today, we join in the celebration of Hanukkah, the Feast of Dedication. We join with our Jewish Senators, the Jewish people throughout our land, and the State of Israel. We remember 165 B.C. and the victory of the Maccabees over tyrant Antiochus Epiphanes and his troops who had occupied Jerusalem, desecrated the temple, and sought to destroy forever the Hebrew religion. We celebrate the Maccabean victory that enabled the Jews to rededicate the temple and once again to worship You freely. It is with gratitude we remember that there was one remaining flask of pure olive oil left in the temple that miraculously kept the eternal light on the altar burning for 8 days and 8 nights until the supply could be replenished.

We claim the meaning of the word Hanukkah, dedication, as we rededicate ourselves to our duty to uphold religious freedom for all people today. We also reaffirm our commitment to battle against the forces of evil in our society. Lord, we seek to be temples of Your holy spirit. Help us to shine in the spiritual darkness of our time. Keep us aflame with Your spirit of truth. May the verse from Zechariah 4:6, so often repeated during the 8 days of Hanukkah, be our source of strength today: "Not by might, nor by power, but by my Spirit, says the Lord." Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator DOLE, is recognized.

Mr. DOLE. I thank the Chair.

SCHEDULE

Mr. DOLE. Mr. President, I have been asked by a number of my colleagues if I could give some idea when we might be leaving here for the holidays, and I cannot. But I will lay out some of the items we would like to take up before Christmas or New Year's Eve, whichever.

They are the nominations on the Executive Calendar and other calendar items; the Whitewater subpoena controversy, which may or may not be on the Senate floor. If so, we would like to do that on Wednesday. If there is a budget negotiated agreement, we would like to complete that, of course. There are three appropriations bills remaining; DOD authorization conference report, which we hope to have a vote on tomorrow. There will be a cloture vote on the Labor-HHS bill after consultation with the Democratic leader probably tomorrow.

There are other available conference reports. The ICC sunset, I think that is a conference report, and then welfare reform conference report, which should come to the Senate Wednesday or Thursday.

I will also say, and I think I have indicated this publicly, that there will be no votes today. We hope to receive the D.C. appropriations bill from the House late afternoon or early evening. I think we are trying to work out some agreement, because of the urgency of the matter, that we can deem that to have passed when it reaches the Senate. As soon as we have the language on the bill, we will give that to all the interested parties. What they have done is take out, as I understand, all the education provisions and, on that basis, I think the House is prepared to act.

If anything develops between now—well, any time anything develops—if there is any development and the President should call and say he would like to discuss the budget, I will certainly convey that to my colleagues.

So there will be a period of morning business until 11:30, with no votes today. I hope to be able to have the D.C. appropriations conference report deemed agreed to when it arrives. There will be a cloture vote, as I have said, tomorrow.

Also, last evening, there was an effort by Senator DORGAN by unanimous consent to pass a Senate continuing resolution. Normally appropriations originate in the House. I suggested that we might be able to accommodate them to do that until the 22d of December if they let us take the Labor-HHS bill, which has been tied up on the calendar since September 15 because of objections on the other side to one little provision in that whole bill.

Today, if they are prepared to do that, I think we can work that out. The Speaker told me he would be very anxious to receive the Labor-HHS bill with the CR attached. So we will be working with the Democrats. If that can happen, that will at least keep everything open until the 22d. It is up to my colleagues on the other side. We are prepared to move on that at any time during the day.

I know that my distinguished colleague, Senator LOTT from Mississippi, will discuss in some detail some of the relief that could happen very quickly. I am very pleased to yield the floor.

Mr. LEAHY. Mr. President, before the Senator does that, will the distinguished majority leader yield for a comment from me?

The PRESIDING OFFICER (Mr. CRAIG). The Senator from Vermont.

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



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Mr. LEAHY. Mr. President, the distinguished majority leader had mentioned the Defense authorization bill, and the distinguished chairman of the Armed Services Committee, the senior Senator from South Carolina, is also here on the floor.

Mr. President, I realize this would have to probably be hotlined from both Cloakrooms, but I certainly am willing to agree to a vote at a time certain. But I mention two provisos: First, at some point prior to the vote, and if the vote is going to be tomorrow, at that time tomorrow, that I be recognized for 20 minutes to speak—of course, with equal time on the other side, naturally—to speak on the subject of landmines.

I will do that with the understanding of the distinguished chairman that on the subsequent Defense authorization bill, there not be language on landmines, certainly not the language that I have stated my objection to and have given on the floor to him and to the distinguished Republican leader. I mention that for the sake of our distinguished majority leader, because I know he has to try to put together a schedule. I just want him to know, with the distinguished Senator from South Carolina here on the floor.

Mr. DOLE. I thank the Senator from Vermont, and I thank also the chairman of the committee. That is satisfactory.

Mr. THURMOND. Mr. President, I think that is satisfactory to have a definite time to vote, and the distinguished Senator from Vermont will have 20 minutes before the vote and I will have 20 minutes before the vote to speak on the bill and have a definite time to vote. If we can agree on that time, I suggest maybe 12 o'clock tomorrow, if that suits the distinguished Senator from Vermont.

Mr. LEAHY. I would leave it to the leaders to set the time. But I certainly would agree to whatever time the two leaders were able to set. I understand there are both Republican and Democratic Senators who wish to speak on it, on the bill. I do not want to preclude that. Certainly, within the normal course of things, my understanding was that the leadership wanted to have a vote sometime tomorrow. I would hope to accommodate whatever that is.

Mr. LOTT. Will the chairman yield?

Mr. THURMOND. Yes.

Mr. LOTT. That seems like a very reasonable proposal. I hope we can get that locked in as soon as possible. Why don't we check with both sides, our leaders, and see if we cannot get that cleared momentarily. We will work on it, and we hope the Senator from Vermont will do the same on his side. Thank you.

Mr. LEAHY. I assure the Senator from Mississippi and the Senator from South Carolina that, with the understanding that I have with the distinguished chairman regarding the issue of landmines, I will be willing to ac-

commodate whatever time the joint leadership wants to have this vote. I ask only that the leadership, in setting that vote, provide 20 minutes each for the distinguished Senator from South Carolina and myself prior to the vote.

Mr. President, I know the Senator from Mississippi has some other scheduling and housekeeping to do. Once he is finished, at some appropriate point, I am going to retain the floor in my own right for a few minutes of morning business.

Mr. THURMOND. Mr. President, that would give today for those who wish to speak on the bill, for or against it, to make their speeches, and then tomorrow we can have the vote. The leaders can agree on a time tomorrow. Senator LOTT is now representing the leadership on the Republican side, and he can get in touch with the Democratic leadership and agree on a time for the vote. But as I understand it, it will definitely be tomorrow. I ask unanimous consent that it will be tomorrow.

Mr. LOTT. Reserving the right to object, I think we need to have representation from both sides of the aisle before we enter an agreement on unanimous consent. Can I ask the chairman to withhold momentarily and we will check with the leaders?

The PRESIDING OFFICER. Will the Senator from South Carolina withdraw that unanimous-consent request?

Mr. THURMOND. If that is the desire of the Senator from Mississippi, I will do that.

Mr. LOTT. Mr. President, I reemphasize to the chairman of the Armed Services Committee that we will be working on both sides of the aisle to see if we cannot get an agreed-to time to have a vote tomorrow on the Defense authorization bill. I think we can get that worked out. I thought the comments of the Senator from Vermont were very helpful. We will work on that in the next few minutes.

Mr. President, if I can clarify the parliamentary circumstances, we have a period of morning business now that will go for how long? Is it for a time certain or for a period of time?

MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for the transaction of morning business not to extend beyond the hour of 11:30, with Senators permitted to speak therein for up to 5 minutes each.

Mr. LOTT. I ask unanimous consent that I have 10 minutes of that morning business period.

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

APPRECIATION OF THE SENATE CHAPLAIN

Mr. LOTT. Mr. President, I want to say, once again, how much this Senator—and I am sure all Senators—appreciates the prayers of our most distinguished Chaplain, who is having a

tremendous impact on this institution. I think maybe the problems we are wrestling with can only be resolved by divine guidance. We thank Dr. Ogilvie for his help, counsel, and prayers in this institution.

MR. PRESIDENT, SIGN THE BILLS

Mr. LOTT. Mr. President, I want to switch to the matter of the appropriations bills and conference reports. Mr. President, the ball is in the President's court. It is in his hands. It seems to be missed in the news media that the Congress has been completing its work and sending bills to the President. He has bills on his desk that would, in fact, guarantee that approximately 621,000 Federal employees could be at work today or tomorrow. We do not need a continuing resolution for the Departments of Commerce, Justice, State, Judiciary offices, the Interior Department, and VA-HUD Departments to be opened and operating.

So I say to the President of the United States, Mr. President, sign the bills. That is all you need to do. Sign the conference reports that you have before you and cut this problem down to almost nothing.

There are two remaining appropriations conference reports that are now ready to move and should also be in the President's hands in the next 2 days or so. That would be the D.C. appropriations conference report. I believe we were able to reach an agreement on Saturday that the House will act on sometime, hopefully today, and the Senate will follow suit. It was not a perfect agreement or solution, but it was one that we should be able to live with. So we should have the D.C. appropriations bill done sometime tomorrow for sure.

We also have broken loose again the foreign operations appropriations bill. We will try to move it through once again, and, hopefully, we will get both of those conference reports on to the President's desk. That will then be five of the remaining appropriations bills that will be with the President, leaving only the Department of Labor, Health, and Human Services appropriations conference report to be acted on.

That resides in this body's hands. We have tried repeatedly, frankly, sometimes on both sides of the aisle, to get this bill up for consideration. But it is being objected to because of some issues that are very small in terms of the big impact of Labor, Health and Human Services. The way it has been held up—listen to this—it is being held up by filibuster on the motion to proceed. The Democratic leader has said that we cannot even proceed to take this bill up. I say to the Senate, let us just go with the regular order, bring up the Labor-HHS appropriations bill, regular order, amendments are in order, the Democrats can offer amendments, Republicans can offer amendments, we will vote and somebody will win and somebody will lose. It will not always

be partisan; it will be bipartisan, the way the votes are recorded. And we will act on it.

But, no, repeatedly the Democratic leadership has said, "You cannot bring this bill up unless you take out in advance provisions we object to." Let me tell you what one of those provisions is—in fact, the key one. The conference has language that reverses the President's, in my opinion unconstitutional, act to reverse the Court's decisions on striker replacement. I believe most of the American people agree with the Republicans on this issue. But I say, let us bring it up, offer the amendment and let us vote. But we are being told, no, you cannot even vote on it. So that one strictly resides in the hands of the Senate because they will not allow the bill to be brought up and voted on.

Let me talk about the bills that the President can sign. They include Commerce, and within the Department of Commerce, you have the National Oceanic and Atmospheric Administration, Maritime Administration, Federal Communications Commission, the Small Business Administration, and the National Weather Service.

Sign the bill, Mr. President, and all those agencies will be back at work in the morning.

The Justice Department. This includes the Federal Bureau of Investigation, Drug Enforcement Administration, Immigration and Naturalization, and Federal prisons. Sign the bill, Mr. President, and put those agencies back to work.

The State Department. We all know what that does.

Veterans Department. If the President will sign the bill on his desk, the veterans' activities will go forward full steam.

Interior Department, including the Forest Service, Indian Health Services, and the Smithsonian. All the President has to do is sign the bill on his desk.

In all of these agencies that I have just been listing, the President has no problem with what is in these bills. He probably wants more spending in each category because that is the construction of the problem. He wants more money spent. Never before in the years I have been in the Senate, or in the Congress, for that matter, have I seen a situation where the President wants to veto appropriations bills because they do not spend enough money.

In the past, Presidents have vetoed appropriations bills because the Congress' insatiable appetite to spend more of the taxpayers' money could not be controlled. Now we have one where the President says, "Send me bills with more spending." It is a unique experience we are having.

Independent agencies: Consumer Product Safety Commission, Environmental Protection Agency, the Federal Emergency Management Administration, National Aeronautics and Space, and the National Science Foundation. All of these independent agencies have funding. We have agreed to language. It is on the President's desk.

Sign the bills, Mr. President, and all of these agencies will be put right to work. What are we talking about in terms of the number of employees?

I have here a chart that shows the number of employees we are talking about. Commerce, Justice, State, and Judiciary involves this number of employees: 194,000 Federal employees; almost 200,000 people. Mr. President, 102,000 at Justice, 25,000 at Commerce, 28,000 that run Judiciary, 25,000 at State Department, 5,800 at SBA, and 8,000 at USIA, for a total of 194,000 Federal employees just affected by Commerce, Justice, State, and Judiciary.

VA-HUD. NASA has 20,000; National Science Foundation, 2,000; Veterans, 240,000; HUD, 11,000. By the way, I understand about 98 percent of the employees at HUD are considered non-essential—nonessential, 98 percent. There are not a whole lot of the employees that are actually affected by this bill. It would get those back to work, anyway. The Environmental Protection Agency and others, 20,000, for a total of 293,000 affected by the VA-HUD appropriations bill now on President's desk.

The Interior Department, 76,000 employees—seems like an awful lot to me; Indian Health Care, 15,500; Forest Administration, 38,000; Energy Department, 2,300, and 2,000 others, for a total of 133,800. You see part of the problem with the Federal Government: Look how many people you are talking about working for the Federal Government—almost 621,000 just affected by these departments.

Interestingly, too, is, why is the President objecting to the Interior appropriations bill? One, I am sure he wants more money. He wants more money for everything, of course. The thing they point to that they object to—get this—the big fight has been over how much timber footage would be allowed to be cut in Alaska in the Tongass area. There has been a long battle over what the agreement should be, but both sides have worked very diligently and reasonable people came up with an agreement between the Senators from Alaska and those in the House that might have some concerns about the number of board feet that is being cut.

Then there is some problem with the Columbia River basin. I do not know exactly what it is, but I emphasize it involves how much timber can be cut in Alaska. Does the President want to shut down the Washington Monument and Carlsbad Caverns because he wants a few hundred thousand less board feet of timber cut in Alaska? Give me a break. The news media are running around and saying, "Oh, the parks are closed down."

Ladies and gentlemen, my colleagues in the Senate, talking about a monument being shut down so terribly trivializes what is at stake here. What we are talking about is trying to control the size of spending of the Federal Government. We are talking about try-

ing to balance the Federal budget. We all know it needs to happen. This is important. You are talking about the Federal Government—what it does, how much to spend, taxes on the people—for the next 7 years. So it is important that we get control of the Federal budget and do it in such a way that more jobs will be created, inflation will stay under control, so that interest rates will fall. We are talking about future generations. We are talking about the future of my son and daughter and the sons and daughters of all of us. Yes, we are talking about my mother, but we are also talking about what will be the situation 7 years from now.

This is big. This is really important. The news media runs around saying, "Oh, the monument is closed." We are talking about billions of dollars. We have those saying, "I cannot get in to the monument." I think that we should be focusing on what we are really trying to accomplish here. This is serious. It is important. It is big. Do not miss the point. The President, with three strokes of the pen today with bills on his desk, can put almost 621,000 Federal employees to work. Should they be working if they are going to get paid? Absolutely, they should.

Mr. President, I emphasize again that the people need to look at what is really happening here. I see the latest wire service story says the President plans to veto today three bills covering Natural Resources, Veterans Affairs, Housing, the Departments of Commerce, Justice, and State. He says the spending cuts are too large. Yet, if you look at these bills over the next several years or 7 years, they will all go up. They will all go up. Only in Washington when you control the rate of increase is it called a cut.

The President can solve this problem, ladies and gentlemen. It is not the fault of the Congress. Just sign the bills, Mr. President. I yield the floor.

Mr. LEAHY. What is the parliamentary situation?

The PRESIDING OFFICER. The Senate is conducting morning business until 11:30.

Mr. LEAHY. Mr. President, I ask unanimous consent I be allowed to continue as in morning business for not to exceed 10 minutes.

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

VETO PROTECTS OVERTURNING LEGISLATION

Mr. LEAHY. Mr. President, I have listened to the statement of my friend from Mississippi, and I appreciate his rhetoric and his ability to state his position. I think of the expression oft used in summations before the jury, taken in a light most favorable in favor of the opponent. One has to take his statement in the light most favorable to the opponent. The fact of the matter is that the President is right to veto a number of the pieces of legislation before him, not because of a question of

spending, but because of a question of legislation being overturned, legislation that was put together by bipartisan majorities over the years.

I use one example. In EPA, one of the bills, basically what the so-called Republican Contract With America has done is cut out the enforcement arm of EPA. They know that they cannot stand up here and pass legislation to repeal our clean water laws. They cannot pass legislation to repeal our clean air laws. Those were laws put together by a majority of Republicans and Democrats working together over the years.

So what do they do? Instead of repealing them, which they cannot do, they simply say we will not enforce them. What they are saying is, "Go ahead and pollute; we don't give a hoot." They have changed the whole idea around. What they are saying, it is the same thing as if they said we will not do away with the law against burglary, but we will not allow you to put any locks on your doors; we will not let you put any guards at your warehouses; we will have no police officers patrol the streets; and we will not answer a call when somebody sees a moving van in the back of your warehouse at 3 o'clock in the morning unloading the warehouse. We will say we have not done away with the laws of burglary, we will just not enforce them.

Back just a few years ago, the Cuyahoga River was on fire because of pollution. That does not occur today. What they are saying, however, is we will not enforce those laws because some of our largest contributors do not like them. We will not enforce the laws that keep the Cuyahoga River or the Winooski River in Vermont, to keep them clean.

We talk about our children. Our children deserve clean water. Our children deserve clean air. It is certainly going to keep down our health costs. We should not, in the guise of budgetary things, do away with this.

It makes me think, for example, of some of the same—in this new breed, especially in the House, new breed of Republicans, when they spoke of patriotism and honor and flag and everything else, but they passed quickly and quietly in the dark of the night a tax bill which said that if you are one of these billionaires who is willing to stand up and renounce your country, renounce the United States of America, renounce the greatest democracy on Earth, we will give you one hell of a tax break.

Now, Mr. President, it is those things. Somebody once said the Devil is in the details. The Devil is at work in the details of some of these bills. These bills should be talking about our spending priorities. Everybody on this side of the aisle, and I suspect everybody on that side of the aisle, Republicans and Democrats, agree that we want to balance the budget in as short a time as possible. But, in doing it, let us not repeal laws that the vast majority of Americans, Republicans or

Democrats, agree on. Let us not repeal our commitment to good education for our children. Let us not repeal our commitment to clean air and clean water under the guise of this. And let us not give away these special tax breaks which say if you stand up and renounce your country we are going to give you a special tax break. That is ridiculous.

We see an example, one person took advantage of this to move down to Belize, because he always liked Belize. However, he said, he gave them some money so they would establish a consulate in his home town in Florida, with the idea he could then still live in Florida and not have to go to Belize, but he would get this multibillion-dollar tax break. Fortunately, the State Department stopped that.

What I suggest is it is time to go back to basics on this. I see people talking across each other. I have said over and over again—I said this this summer—we are not going to pass a Gingrich budget, we are not going to pass a Dole budget, a Daschle budget, a Leahy budget or a Clinton budget. But working together we might pass one. It is going to require the Speaker of the House to stand up to his new freshman class and tell them that we certainly value the experience they have gained in 11 months in office but that there are a lot of others in Government, too, in both parties, who also have experience. Some have even more than 11 months.

It is time to get together. I suggest to them, they may want to look at the dictionary. This is a dictionary and I will read what it says about negotiating. It says to negotiate means:

To arrange for or bring about through conference, discussion and compromise.

If they do not understand the word "compromise," I have that here, too. Compromise means:

A settlement of differences by arbitration or by consent reached by mutual concessions.

Compromise and negotiation does not mean that one side simply says we will walk away from the table unless you agree to everything before we even start our negotiation. Unfortunately that happened last week.

The President of the United States is not going to be ordered by a group of freshman House Republicans—is not going to be ordered to just come in here and give up everything that he believes in and everything he was elected for. The President of the United States, as well as the Democratic leadership in the House and the Senate, have said they will sit down and they are willing to negotiate on every single item. But they are not willing to give away all their points before the negotiation even starts.

When I was in private practice of law I negotiated many, many a case. You come in, each with all your positions intact. Then when you sit down you start dealing out and saying I can give up on this but you can give up on that.

There is an art of compromise involved.

I have served here, twice in the majority, twice in the minority. I have been chairman or ranking member of significant committees and subcommittees. I have gone through a number of committees of conference. Of course you start out with differences. But you sit down. You do not walk away from the table. You sit down to work them out. Most recently in the foreign operations bill we started out with 193 differences with the other body. We negotiated agreements on 192. We have been held up on one, which has become more a difference of polemics and not of substance; of symbols and not substance; of rhetoric and not reality.

What have we come to? This is not the way to run the Government. This is not what people want to see. They want to see our Government run, they want to see our tax dollars well spent, they want to see the budget deficit come down. They would like to see us stop acting like children. They would like to see us get together as men and women elected to run this great country. It is the greatest democracy on Earth. It is the largest economy on Earth, the most powerful nation on Earth, one with worldwide responsibilities as well as responsibilities to our people. Let us come back and make it work.

The President has helped in the way he can, over the weekend, on LIHEAP, emergency heating aid to those in the northern parts of our country like my own State of Vermont, where it is extremely cold. But these are little things. What we need to do is bring together the big things that make it possible so the President does not have to. Why emergency help on something we had all agreed should be done under the regular routine? Let us come together, let us come together on the big issues of Medicare and Medicaid, on nutrition, on education, on defense. We can do it. But we are going to do it only when we learn, when we go back to the dictionary and say compromise is a "settlement of differences * * * by consent reached by mutual concessions." Concessions by Republicans, concessions by Democrats; concessions by the Congress, concessions by the President. It can be done. It is not going to be done if we want to make rhetorical debating points. It can be done if we really believe in upholding our oath of office and helping this country.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call roll.

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

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

TRIBUTE TO DR. RICHARD
HALVERSON

Mr. ASHCROFT. Mr. President, I rise to pay tribute to the life of Dr. Richard Halverson. To many in this body, he was a spiritual leader. To others, he was a counselor. To me, he was both of those and he was also a friend.

I got to know Dick Halverson when he responded to my pleas for help with the Missouri Prayer Breakfast. Despite his hectic schedule, he helped and encouraged me in developing the Missouri Governor's Student Leadership Conference on Faith and Values in Leadership. His display of kindness and love was remarkable. Even more remarkable, however, was that this was not remarkable—it was just the way Dick was.

Dick's legacy will be a lasting one. Words written during his life endure and will serve as inspirational challenges not only to us, but to those yet to be born. A family nurtured by this father, husband, and grandfather will bear a continuing witness to his love. And the countless lives that he touched and influenced and saved help make this world a better place and heaven a more crowded place.

What is the measure of man's life? Richard Halverson knew the answer. A man's life is measured by how much he loves God and how deeply he cares for those that God has put around him. Dick's life was a full one—measured great by any standard of earthly success—counted great by the one opinion that counts. For Dick lived life and lived it abundantly, knowing what was important and what was not. I will miss Dick, but I will also rejoice at all God did through him.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, before discussing today's bad news about the Federal debt, how about "another go," as the British put it, with our pop quiz. Remember—one question, one answer.

The question: How many millions of dollars in a trillion? While you are thinking about it, bear in mind that it was the U.S. Congress that ran up the enormous Federal debt that is now about \$11 billion shy of \$5 trillion.

To be exact, as of the close of business Friday, December 15, the total Federal debt—down to the penny—stood at \$4,989,584,833,636.17. Another depressing figure means that on a per capita basis, every man, woman, and child in America owes \$18,940.55.

Mr. President, back to our quiz (how many million in a trillion?): There are a million million in a trillion, which means that the Federal Government will shortly owe five million million dollars.

Now who's not in favor of balancing the Federal budget?

CONCLUSION OF MORNING
BUSINESS

The PRESIDING OFFICER. Morning business is closed.

NATIONAL DEFENSE AUTHORIZA-
TION ACT FOR FISCAL YEAR
1996—CONFERENCE REPORT

The PRESIDING OFFICER. The clerk will report the pending business. The assistant legislative clerk read as follows:

A conference report to accompany H.R. 1530, an act to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1996, and for other purposes.

The Senate resumed consideration of the conference report.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, as we continue to debate the conference report on the Department of Defense authorization bill, I want to make just a few opening comments.

As I indicated earlier, it has been long and arduous process, but we have a sound bill that supports our national security and the objectives we set early in the year.

As in every conference there had to be some give and take. I have no doubt that there are provisions in this bill that may be objectionable to some. There are provisions that I would rather not have in a defense bill. However, we must judge this bill as a whole, not by individual provisions. If you make an objective evaluation of the bill, I am confident you will come to the conclusion that all our efforts paid off. We provided for the readiness of the force both for the near term and in the out years. We provided for the welfare of our soldiers and their families. We provided the Department of Defense with the tools to effectively manage and streamline the acquisition of weapons systems and equipment.

Despite our efforts to reach accommodation on all issues with the administration, they have indicated they will oppose the bill. Throughout the day we will address many of the objections and I believe we have a strong case to refute these objections.

I urge my colleagues to come to the floor and participate in this debate. The Senate and the Nation have a great stake in this bill, especially now that our forces are deploying to Bosnia. Mr. President, the House passed this conference report by an overwhelming vote of 269 to 149, I urge the Senate to do no less.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. THURMOND. Mr. President, although we have reached agreement with Senator LEAHY on the landmine provision, I would like to respond to remarks made by the Senator from

Vermont regarding a provision that would impose a moratorium on landmines that was included in the Senate Defense authorization bill.

When the Senator from Vermont introduced his provision in the Chamber, I, along with Senators NUNN and WARNER, raised objections to his provision. The provision would express the sense of the Congress with regard to a treaty review conference on conventional weapons, sanction foreign governments that export antipersonnel landmines, and it would impose a moratorium on the defensive use of antipersonnel landmines by U.S. Armed Forces.

Mr. President, the portion of the provision that caused us such grave concern was that portion that would place a moratorium on U.S. Armed Forces use of antipersonnel landmines for defensive purposes.

Mr. President, the Department of Defense, the Joint Chiefs of Staff, and the Department of Justice raised objections to this provision and specifically the portion of the provision that would place a moratorium on the use of antipersonnel landmines by the U.S. Armed Forces for defensive purposes.

Specifically, DOD and the Joint Chiefs of Staff strongly opposed the provision because it would have a detrimental impact on the ability of the military forces to protect themselves and require the removal of mine fields emplaced in demilitarized zones. The Department of Justice opposed the inclusion of this provision because it is their view that it is a serious infringement on the President's authority as Commander in Chief, stating, " * * * the Congress may decide upon the weapons available to the President, it may not dictate how those weapons are to be used in military operations."

Throughout the conference the House objected to this provision. The Senate defended the provision of the Senator from Vermont. At the same time, there were discussions with the House of the need to obtain a report from the Joint Chiefs of Staff on the impact of a moratorium on the defensive use of antipersonnel and antitank mines. Additionally, the House asked that prior to the implementation of a moratorium, that the Secretary of Defense certify that the moratorium would not adversely affect U.S. military capabilities, and that there were adequate substitutes.

Mr. President, I would point out that the Senator's provision is in the fiscal year 1996 foreign operations appropriations conference report. After the foreign operations appropriations conference report was agreed to, with this provision in it, the Senator from Vermont came to me and asked that the committee drop his provision from the Defense bill. Based on his request, the Senate conferees dropped the landmine moratorium provision from the bill. However, the committee retained the report requirement. I do not understand why the Senator from Vermont

would not want to have a report submitted to the Congress about the impact of his provision, or, for that matter, why he would not want assurances from the Secretary of Defense, that his provision would not detrimentally impact on the ability of the U.S. Armed Forces to defend themselves.

Mr. President, in his remarks on the Senate floor on the deployment of United States Armed Forces to Bosnia, the Senator from Vermont raised concerns about the great number of landmines that are in and around Bosnia. I might point out that this conference report contains \$20 million for humanitarian demining activities, and \$20 million that would provide for advanced detection systems to find mines, so they do not pose such a great threat to our Armed Forces, and the forces of our allies, as well as innocent women and children. These provisions would be lost if the conference report is not adopted.

Mr. President, I hope common sense will prevail in this matter and that the Senate will approve this conference report.

Mr. President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. THOMAS). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

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

The PRESIDING OFFICER. The pending business is the conference report to the Defense authorization bill.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I know the chairman is on the floor and prepared to enter into debate or discussion, whatever. There may be Members opposed to the conference report. If they would like to speak, we would like to have them come to the floor and do that. As I understand, we are not able to get a consent agreement on when the vote will come. We hope it will be tomorrow morning.

I know today is a holiday, so there will be no votes today, and I know that tends to increase the absentee rolls.

In any event, I am going to recess subject to the call of the Chair, and we will stay in touch with the chairman of the committee. If there are those who desire to speak on this matter, they can certainly be able to come back into session very quickly.

Before I do that, I will say the President has now vetoed this morning the Interior appropriations bill and the VA-HUD appropriations bill. What he said to the 133,000 Federal workers who are covered by the Interior appropriations bill is, "You can't come to work."

What he said to the 293,000 Federal employees that are covered by the VA-

HUD bill is that "You can't come to work." And later today, I understand he will say to 194,000 Federal workers who are covered by Justice, State, Commerce, that, "You can't come to work."

With the stroke of a pen, all of these Federal employees could have been back to work today. They could have been back to work yesterday or the day before and we would not have had a shutdown for that many, because he has had the bills on his desk.

I always said until the Congress sent him the bills, we had to share the blame. But he has had these bills and he has vetoed them with some of the usual rhetoric coming from the White House these days, surrounded by little children saying we were about to endanger the lives of millions of children with the toxic waste dumps and all the exaggerated rhetoric they can think of in the White House. The result is that people, Federal employees, right before the holidays, are not going to be able to go back to their work because of President Clinton's veto. That is all it is. He had the bills. He could have signed the bills and the people would have been working and assured nothing would happen until the end of the fiscal year next October.

So I am disappointed that President Clinton is again playing politics instead of looking at the policy. It seems to me that he is making matters more and more difficult. He refuses to talk seriously about a 7-year balanced budget which most Americans would like to accomplish, and now he is vetoing appropriations bills which would put Federal workers back on the job because he said the cuts are too deep.

Again, it is the same old deception: Scare the American people, scare the children, scare the senior citizens, scare the veterans, tell everybody the sky is falling in, do not talk about the balanced budget, do not talk about the fact we would lower interest rates 2 percent. It means you would pay less for a student loan, a car loan, farm loan, machinery loan, whatever.

These are the advantages of a balanced budget over 7 years. That is why Republicans are insisting, because we believe most Americans, regardless of party, want us to balance the budget. In fact, most do not understand why it is going to take 7 years. They would rather do it in 3, 4, 1, or 2 or 5 or 6. But we have agreed on 7 years. The President has agreed on 7 years.

But ever since he agreed on that some 27 days ago, he has been backing away from it, confusing the American people with different numbers and different scenarios. I really believe unless we can accomplish something serious by Friday, it is probably not going to happen this year.

I am not in a position to announce the schedule for the balance of the year, but the balance of the year is about here.

New Year's Eve is not far off. I assume we will be here because we have

a number of items we would like to take up. We do want to get to the budget agreement yet this year. I do not believe it will ever happen unless the President—who is the President—exerts the leadership and calls the majority leader of the Senate and the Speaker of the House of Representatives and asks us to come to the White House and sit down, without staff, without press, and say, OK, let us work this out, let us agree to some parameters, the three of us, and let us have other people come in and put the details together. If he would do that, I think we can probably make some progress.

We have waited now for several days. The President certainly could find a telephone when he had a problem with Bosnia. He knew how to reach a lot of us. I wish he could use the same determination when it comes to balancing the budget.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now stand in recess subject to the call of the Chair.

There being no objection, the Senate, at 12:20 p.m., recessed subject to the call of the Chair.

The Senate reassembled at 3:08 p.m., when called to order by the Presiding Officer [Mr. KEMPTHORNE].

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996—CONFERENCE REPORT

The Senate continued with consideration of the conference report.

"NO" VOTE ON DEFENSE AUTHORIZATION

Mr. LEVIN. Mr. President, I will reluctantly be voting against the Defense authorization bill—reluctant, because I know of the hard work which many Members, particularly the majority side, put in on this bill, the fact that this is the first Defense bill under the leadership and the guidance of our chairman, Senator STROM THURMOND.

I will vote against the bill for reasons which I will set forth this afternoon. A few months ago when I voted against the Senate version of the bill, I said that the bill was out of step with our real security requirements. The conference report is even worse in that regard, and it is worse in a number of ways which I will illuminate in the next few minutes.

It is not a good-government bill. It is not a responsible bill. It is not arrived at in the bipartisan fashion that has long characterized legislation in this area. The Senate should reject it, and if it goes to the President he should veto it. As a matter of fact, I have been informed that he will veto it.

The conference report is out of step with the priorities of the Joint Chiefs of Staff, the Secretary of Defense, the President, and I believe the Nation. It is as fiscally irresponsible as the Senate bill was, and the conference made

it worse, authorizing more weapons not requested by the Pentagon and adding provisions that I believe are bad-government provisions.

The Senate version of this bill, at least, did not contain funding for more B-2 bombers; it did not contain funding for F-16's and F-15 fighters because the Pentagon did not request them, does not need them, and cannot afford them, but the conference report funds these three items alone for a total of more than \$1 billion. There is no plan to pay for the bow wave that these programs would create in future years, and there is no money to pay for them. That does not even count the over \$2 billion added for just two ships not requested by the Defense Department, nor does it include numerous other examples of excessive and unrequested spending.

One area I will highlight a little later is ballistic missile defense. This was the most contentious effort in the conference and one which I believe has the most profound security consequences for our Nation. I am sorry that this conference report contains an outcome that is unwarranted, unwise, and unacceptable. It would require, if adopted and if it became law, the United States to deploy a national defense system—I emphasize the word “deploy”—by the year 2003, without consideration of the threat, without consideration of what the military effectiveness of such a system would be after it is developed, without consideration of what it might cost after its development, without consideration of what its impact might be on United States-Russian relations at the time of a deployment decision.

This conference report requires us, now, to commit ourselves to deploy an ABM system. Now, that decision is going to jeopardize our relationship with Russia. It is going to jeopardize the nuclear weapons reductions which are required in the START II Treaty.

First, however, let me spend a few minutes on the B-2 bomber. The original Senate position, which was based on a strong bipartisan vote, was to provide no additional funds for more B-2 bombers. There were no additional funds for the B-2's, and the appropriations bills in the Senate had no additional authorization for the B-2's.

Does that mean there was overwhelming House support for adding B-2 bombers? Not really. The House barely had a majority in separate votes for more money for the B-2's, but there it is in the conference report—more money for B-2 bombers.

The \$500 million in the conference report for additional B-2 money is just the downpayment on a program which will eventually cost more than \$30 billion. That money will have to come out of other programs that are of a higher priority to our Defense Department. Both Secretary Perry and General Shalikashvili have been very clear on that point.

The ill-advised conference item on the B-2's is in spite of the fact that the Pentagon issued two separate and com-

prehensive reports, both of which demonstrated that we do not need more than 20 B-2's, and our limited funds would be more wisely spent on precision-guided munitions for our planned fleet of bombers and our tactical aircraft.

The industrial base study made it clear that even if we stop producing B-2's now, we would be able to produce them again in the future if it were deemed necessary at some future time, but that is deemed unlikely. There is no need to keep a production line warm. We can reinstate production in the future, we were told by the study, should the need arise. We put a downpayment of \$500 million on a \$30 billion program that the Pentagon has not asked for, does not need, and cannot afford.

In the area of ships and submarines, the conference report actions in those areas are also objectionable. For reasons that are unknown to any Democrats, as far as I know, on the Armed Services Committee, the majority decided to create a special congressional panel just to consider submarine issues. That strikes me as being unwise and almost bizarre.

The Armed Services Committee already considers all areas of the defense budget, weapon systems, including submarines, in its normal oversight process. There is no need to establish a new congressional panel to look at submarines. If we can work on a bipartisan and cooperative manner, we will get the job done in the Armed Services Committee. We have done it in the past, and there is no reason we cannot do it on submarines. We do not need a new panel to take a look just at submarines the way the conference report provides.

The conference report earmarks the shipbuilding and ship maintenance work in a totally unacceptable way. We are throwing out standards of competition, cost effectiveness, and good government when we do this kind of earmarking. We will be wasting taxpayers' money because we dispense with standard safeguards for fiscal responsibility and procurement. There is no excuse for us to do that other than it is politically easier to do that, to divide it up here, but in terms of the competition which gets us the better price, what we have done is bypassed the usual procurement rules and earmarked money in this area.

The conference report also represents a setback when it earmarked the National Guard and Reserve equipment procurement money. This year, in marked contrast to previous years, the conference report specified exactly what equipment the Guard and the Reserve shall buy. This was the opposite of what the committee originally voted to do, but it reversed itself during the committee deliberations.

Our committee led a good-government initiative over the last several years to move away from the earmarking of Guard and Reserve equip-

ment by using generic categories of equipment that would ensure that the Pentagon and the Guard could buy the items that best fit their priorities and requirements rather than having to accept the equipment shown, often on the basis of home State interest of the Members of Congress.

Last year, our Armed Services Committee was totally generic when it came to buying equipment for the Reserve and the Guard. This year, we marked the equipment. Now, in the past this was an area of tension between the authorization committee, which was trying to stay generic, and the Appropriations Committee, which was specifying its preferences. This year the roles were reversed. The Appropriations Committee did the right thing this year, used generic categories, while the authorizer, our committee, reverted to earmarking equipment.

I hope the Armed Services Committee will reconsider this approach and be persuaded to return to the good-government approach, which is the generic approach, which will avoid the temptation which we all face of earmarking these purchases in ways that benefit our own home state Guard and Reserve or our home State industrial base.

Now, it was a curious issue in our committee deliberations because a bipartisan majority of the committee Members originally favored going the generic route, and we voted to do so. But on a party-line vote, the majority decided to choose specific equipment items, and that was done despite the fact that the National Guard bureau made it clear that it prefers the generic approach so it can meet its most pressing needs.

I met with General Baca, chief of the National Guard Bureau, to make sure that I was clear on this point, and he reinforced the point that their preference is to have these authorizations and appropriations made on a generic basis.

I offered an amendment on the floor that we stay with the generic approach of the last few years, and I think that before the vote came up, we were very close to a bipartisan agreement that we do this on a generic basis. But, at the last minute, that approach was not adopted. I hope the Armed Services Committee does return to the generic approach, despite the temptations of doing earmarking which, again, I think all of us—or most of us—can understand.

Now, on ballistic missile defense, I want to focus on these provisions just a little longer because they are so significant to our security and because the provisions in the conference report are such a departure from what the Senate has already adopted by a wide margin. The ballistic missile defense provisions alone warrant a veto, and the President has said that he will veto this bill, in part because of the ballistic missile defense provisions. The conference report before us contains the

following provisions that are unacceptable. These are some of the unacceptable provisions.

First, "It is the policy of the United States * * * to deploy a National Missile Defense System."

Second, the conference report mandates that the national missile defense system "shall achieve an initial operational capability by the end of 2003."

Those are the words in the conference report. So it would commit us to deploy a system and to do so by the year 2003, and both of those commitments are significantly different from what we decided to do in the Senate and what we did in the Senate on a very strong, bipartisan vote. In the Senate bill, which was the result of literally weeks of effort, discussions and negotiations, what we said we would do would be to develop, so that later on we could determine whether or not to deploy, a national missile defense system. We did not set the date for the initial operating capability, the IOC. What we said is that Congress would, prior to any decision to deploy, participate in the decision as to whether or not we would deploy that system.

In the making of the decision, we could take many things into consideration which we now do not know. What would be the cost of such a system? How militarily effective would it be? What would the threat be at that time? What would the impact be on United States-Russian relations, including the impact on the ABM Treaty? And what would the prospects be at the deployment decision point after this were developed for that purpose—what would the impact be on the antiballistic missile agreement?

All those things, critical security issues involving relationships with the other country that has a larger number of nuclear weapons, including the military effectiveness, including what the cost would be, including what the threat would be, all of those critical items of information not now available would be available at the time a decision were made later whether or not to deploy the missile defense system.

In order to put ourselves in a position where we could make that decision on an intelligent basis, we would develop a national missile defense system. What this conference report does is it makes it the policy of the United States to deploy and to deploy by a particular year, regardless of what the threat might be at the time when we are in a position to deploy, regardless of how much it costs us at that point, regardless what the impact is on United States-Russian relations, regardless of whether or not it destroys the START II agreement under which thousands of nuclear warheads are being dismantled.

This conference report, in that regard, it seems to me, not only jeopardizes our security but violates some basic common sense.

The Foreign Relations Committee just reported out by a unanimous vote

a strong resolution on ratification of the START II agreement. That START II agreement, which we are going to be voting on in the Senate in the next few days, can achieve the reduction of thousands of nuclear warheads that otherwise do provide a horrific threat to the United States. It is clearly in our security interests to secure those reductions in nuclear weapons which for decades threatened our security. It is clearly in our interest to eliminate some of the most dangerous nuclear systems from the cold war era.

About 4,000 Russian nuclear warheads would be eliminated so they will never become a threat to us again. Then, we will not have to rely on a ballistic missile defense system to shoot down that number of Russian warheads in flight, but, rather, those warheads would be eliminated, removed from their weapons systems, dismantled, and the nuclear material disposed of. They will never be part of an arsenal which can threaten us. That is a security guarantee that no ballistic missile defense system could ever achieve at any cost.

So, eliminating nuclear weapons, thousands of nuclear warheads under arms control treaties like START II is cost effective, it is certain, it guarantees an enhancement to our security, unlike the effort to build a defensive shield against those missiles, particularly if the commitment to build such a defense would violate a treaty that is essential for the passage of the START II Treaty in Russia.

We have been told directly by Russian parliamentarians, we have been told by the Russian Government, that if we jeopardize the ABM Treaty, if we threaten to deploy a system in violation of an agreement which has provided security to both sides and which they feel is significant to them, that it is unlikely they will ratify the START II agreement in their legislative body, their Duma.

We have been told that. We read about it, but we also have been told personally by Russian parliamentarians that if we jeopardize the ABM Treaty, we cannot expect them to ratify the START II agreement which will reduce the number of nuclear weapons if they are going to have to face defenses, if they ever were in a position where they were attacked and felt they had to use these weapons. That is what the ABM Treaty is all about. Whether you like the ABM Treaty or you do not like the ABM Treaty, or whether we should modify it through negotiations or not modify it through negotiations in order to permit the deployment of a defensive system, what seems very likely—and I will say factual, or almost certainly factual—is that that Russian Duma is not going to reduce the number of their weapons and not ratify START II if we commit ourselves to deploy a defensive system.

We have been trying to get the START II Treaty voted on in this body prior to the time the Senate adjourns for the year. Many of us have actively

sought to get the START II Treaty on the floor of this Senate for a vote this week. I think we are going to succeed. The majority leader has made a commitment that we will vote on the ratification of START II. I believe that commitment is that he will bring that agreement, that treaty to the floor this week, prior to adjournment, if my memory serves me correctly.

This was after a long delay where the treaty languished in the Foreign Relations Committee for a number of unrelated reasons. This is a Christmas gift to this Nation, if we can ratify START II.

We could reduce by thousands the weapons in the inventory of each side if we could just get START II ratified here and if we can get it ratified there. I am confident that the Senate is going to give its advice and consent to ratify the START II Treaty because it is so clearly in our national interest to do so. But if we ratify here and the Russians do not ratify it because at the same time we are ratifying START II, we are threatening the ABM Treaty's existence through this conference report language which says we will deploy—and it is the policy of the United States to deploy—a system which violates the treaty which they believe is essential in order for them to reduce the number of weapons in their inventory, we are doing two inconsistent things in the same week: We would be ratifying START II here but jeopardizing the ratification of START II over in Russia.

As Senator NUNN has pointed out, the provisions on the National Missile Defense that are in this conference report were beyond the scope of any legislation that was passed by the House or the Senate. Both the House and the Senate in their defense authorization bill passed language which contains ballistic missile defense provisions, but they are not the provisions in the conference report.

The Senate bill had provisions that were carefully crafted after a great deal of hard work by a bipartisan group of negotiators. Again, the Senate bill said that we would develop a system—we would develop a system with emphasis on the word "develop"—for deployment and that Congress would have a chance to review the program prior to a decision to deploy it—emphasis on the words "prior to" and "decision to deploy."

In that review by Congress, we would look at cost, operational effectiveness, the threat on the implications of the ABM Treaty and on United States-Russian relations. Our Senate bill also said that the program should be conducted in conformance with the ABM Treaty. That package was accepted by the Senate by a vote of 85 to 13. Only one Republican voted against it. The majority leader voted for it. The chairman of the Armed Services Committee voted for it. Every Republican but one, the senior Senator from New Hampshire, voted for that conference report. We

got a product that was supported by a large majority of this body and by the President.

I was one of the four negotiators. We reviewed every word in that negotiated product very, very carefully. It took, as I mentioned, weeks—offers, counter offers, debate, and exchanges of documents. We finally came up with a compromise. Eighty-five Senators voted for it.

What happened in conference is that, first, the majority leader wrote a letter saying that he supported language which would require us to deploy. That certainly was, I think, almost unprecedented—that the majority leader who picked the negotiators, or, at least, if he did not pick each negotiator, was the one that urged we go down that road to negotiations, and then voted for the negotiated product, but then after the negotiated product was adopted by the Senate wrote a letter to the conferees saying, do not support the product of the U.S. Senate and instead require the deployment of a missile system.

I was very disappointed, and not just about the authority view on the conferees in deciding that they were going to commit themselves to deploy, but I was frankly disappointed in our majority leader in writing that letter to the chairman of the Armed Services Committee stating that the conference must result in a commitment to deploy the ballistic missile defense system and to mandate a deployment of a multisite BMD system by the year 2003.

Many times during these negotiations and discussions in conference, Senator NUNN urged that the best basis for reaching an agreement with the House would be to start with a Senate-passed bipartisan compromise, but those suggestions were not accepted.

That is how we ended up where we are with this bill. It contains some provisions that are totally unacceptable to, I think, almost all of the Democrats and I believe also to some Republicans about the ballistic missile defense requiring deployment of a system of unknown cost, unknown impact on United States-Russian relations, unknown military effectiveness, and requiring deployment of that kind of a system by the year 2003 against the threat which our intelligence community does not even believe will materialize at least in this decade.

Mr. President, I ask at this time that the full statement of administration policy dated December 15 be printed in the RECORD.

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

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT
AND BUDGET,

Washington, DC.

Statement of Administration Policy.

(This statement has been coordinated by OMB with the concerned agencies.) December 15, 1995 (Senate)

H.R. 1530—National Defense Authorization Act for Fiscal Year 1996 Conference Report.

Senators Thurmond (R) SC and Nunn (D) GA.

If the Conference Report on H.R. 1530 were presented to the President in its current form, the President would veto the bill.

The Conference Report on H.R. 1530, filed on December 15, 1995, would restrict the Administration's ability to carry out our national security objectives and implement key Administration programs. Certain provisions also raise serious constitutional issues by restricting the President's powers as Commander-in-Chief and foreign policy powers.

The bill would require deployment by 2003 of a costly missile defense system to defend the U.S. from a long-range missile threat which the Intelligence Community does not believe will ever materialize in the coming decade. By forcing an unwarranted and unnecessary National Missile Defense (NMD) deployment decision now, the bill would needlessly incur tens of billions of dollars in missile defense costs and force the Department of Defense (DOD) prematurely to lock into a specific technological option. In addition, by directing that the NMD be "operationally effective" in defending all 50 states (including Hawaii and Alaska), the bill would likely require a multiple-site NMD architecture that cannot be accommodated within the terms of the ABM Treaty as now written. By setting U.S. policy on a collision course with the ABM Treaty, the bill puts at risk continued Russian implementation of the START I Treaty and Russian ratification of START II, two treaties which together will reduce the number of U.S. and Russian strategic nuclear warheads by two-thirds from Cold War levels, significantly lowering the threat to U.S. national security.

The bill also imposes restrictions on the President's ability to conduct contingency operations that are essential to the national interest. The restrictions on funding to commence a contingency operations and the requirement to submit a supplemental request within a certain time period to continue an operation are unwarranted restrictions on the authority of the President. Moreover, by requiring a Presidential certification to assign U.S. Armed Forces under United Nations (UN) operational or tactical control, the bill infringes on the President's constitutional authority.

In addition, the Administration has serious concerns about the following: onerous certification requirements for the use of Nunn-Lugar Cooperative Threat Reduction funds, as well as subcaps on specified activities and elimination of funding for the Defense Enterprise Fund; restrictions on the Technology Reinvestment Program; restrictions on retirement of U.S. strategic delivery systems; restrictions on DOD's ability to executive disaster relief, demining, and military-to-military contract programs; directed procurement of specific ships at specific shipyards without a valid industrial base rationale; provisions requiring the discharge of military personnel who are HIV-positive; restrictions on the ability of the Secretary of Defense to manage DOD effectively, including the abolition of the Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict and the Director of Operational Test and Evaluation; and finally the Administration continues to object to the restrictions on the ability of female service members or dependents from obtaining privately funded abortions in U.S. military hospitals abroad.

While the bill is unacceptable to the Administration, there are elements of the authorization bill which are beneficial to the Department, including important changes in acquisition law, new authorities to improve military housing, and essential pay raises for

military personnel. The Administration calls on the Congress to correct the unacceptable flaws in H.R. 1530 so that these beneficial provisions may be enacted. The President especially calls on the Congress to provide for pay raises and cost of living adjustments for military personnel prior to departure for the Christmas recess.

Mr. LEVIN. Mr. President, a portion of that statement of administration policy says the following in opposition to the conference report:

The bill would require deployment by 2003 of a costly missile defense system to defend the U.S. from a long-range missile threat which the Intelligence Community does not believe will ever materialize in the coming decade. By forcing an unwarranted and unnecessary National Missile Defense deployment decision now, the bill would needlessly incur tens of billions of dollars in missile defense costs and force the Department of Defense prematurely to lock into a specific technological option. In addition, by directing that the National Missile Defense be "operationally effective" in defending all 50 States, the bill would likely require a multisite National Missile Defense architecture that cannot be accommodated within the terms of the ABM Treaty as now written. By setting U.S. policy on a collision course with the ABM Treaty, the bill puts at risk continued Russian implementation of the START I Treaty and Russian ratification of START II, two treaties which together will reduce the number of U.S. and Russian strategic nuclear warheads by two-thirds from Cold War levels, significantly lowering the threat to U.S. national security.

CONCLUSION

Mr. President, on no set of issues is bipartisan cooperation more important than in the area of national security. We need not all agree on every issue, but we must strive to work together in a bipartisan spirit. We have a broad spectrum of views on the House and Senate Armed Services Committees, but we have a long history of working together, across party lines to try to put together the best bill we can. Regrettably, the conference this year fell short of that objective both in process and in spirit. Too many of these contentious issues were left to only majority staff of the two committees to hash out, and months passed without resolution. By that time, the defense, military construction, and energy and water appropriations bills had been passed and enacted. I urge the leadership of both the House and Senate committees to reexamine what transpired and accelerate the learning process so that next year, and I stand ready to work with them to try to restore the tradition of cooperation on the Defense authorization bill.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BUMPERS. Mr. President, I ask unanimous consent that I be permitted

to speak for 15 minutes as if in morning business.

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

THE BUDGET PROCESS

Mr. BUMPERS. Mr. President, I am not on the Finance Committee. I am not on the Budget Committee. Through Democratic caucuses and studying the budget documents, I have been trying to follow this budget process. I have been an avid student of what is going on.

I have been in the U.S. Senate 21 years. I am absolutely incredulous. I cannot believe what Congress is doing with charge, countercharge. Members of Congress are worrying about who is winning in the polls and who is losing in the polls. But I must say I am amazed that the Republicans absolutely refuse to provide a continuing resolution while we try to work this out. I cannot understand this steady objection to keeping the Government going while we fight about how we are going to balance the budget. How do you explain to the people back home that you are trying to balance the budget when you send 250,000 employees home and say, "Not to worry, you are going to be paid anyway"? Can you believe that we told 250,000 Federal employees this morning not to show up for work and "you will be paid anyway"?

The only reason the people on my staff are going to be paid now, which they were not in the first Government shutdown, is because we passed and the President signed the legislative branch appropriations bill.

Mr. President, we are also seeing what is almost tantamount to a constitutional amendment without voting on it. The Constitution says, essentially, that a bill passed by the Congress shall be presented to the President and if the President approves it, he shall sign it. And if he disapproves, he will not sign it or he will veto it. For 205 years in this country, the President has signed or vetoed bills that were sent to him by the Congress, and the Congress either overrode the veto or they did not. If they did not have the votes to override the veto, then Congress went back to the drawing board trying to meet the President's objections in order to get a bill to him that he would sign.

That has been the procedure under the Constitution for over 200 years, and now we have a totally new procedure. And that procedure is that if the President vetoes a bill and there is a majority of one party in the Congress that takes exception to that veto, but not a big enough majority to override the President's veto, Congress shuts the Government down. Teach that President a lesson. How dare he veto a bill when the opposing party is in control of the Congress. President Clinton has correctly characterized this as a gun to his head.

Republicans are not trying to override the veto. Nobody has brought the reconciliation bill back here for revision after the President vetoed it. We shut the Government down—twice. Twice within 2 months we bring the Government to a halt in such a needless, irresponsible way. The budget does not have to be approved tonight. It does not have to be approved between now and January 15, although it almost certainly would be approved by January 15.

There are a lot of people across the land who are saying "a pox on both your houses." Lord knows, I understand that. As I read this morning's account of this woman in Vermont who has a part-time job making \$85 a month and trying to stay off welfare because she deplures it, but who, in the past, has received a little Federal help under what we call LIHEAP, low-income energy assistance program. This woman said she wore four sweaters to try to stay warm so she could keep the heat as low as possible, but I think she said she is going to run out of fuel next week and she does not have one farthing to buy new fuel. The fuel supplier—and I certainly understand his position—says, "We cannot afford to extend credit to these people. We are not rich. We are just out there selling fuel trying to make a living."

Would you believe that 10,000 people in the city of Chicago alone have been refused and shut off from any additional gas because they cannot pay their bills? That is 10,000 homes in the city of Chicago alone. Last year there was \$1.3 billion in this program, Mr. President. The people of the Northern States are running out of money and fuel.

Why? So we can preserve a \$245 billion tax cut for the wealthiest people in America. It makes Marie Antoinette look positively compassionate.

There is the great novel James Baldwin wrote entitled "Go Tell It On The Mountain," a young black man growing up in the South during the Depression, and he talks about a big dinner on the ground. He said these preachers would get up after their stomachs were full and talk about how many people they had saved, and the central character in this book was saying they talked about saved souls in the way you would talk about ears of corn being lopped off the stalk. And he took a vow, because he wanted to be a minister, that he would never take the gift of God so lightly.

Do you know what happened in the book? As time went on, the central character became a preacher, very good at his trade, and the first thing you know he, too, was talking about saving souls like so many ears of corn being lopped off the stalk.

There are two morals in that. One is that we all have a tendency to take ourselves too seriously and get to believing that somehow or other we have all the solutions. But the other moral is that people who are cold are like lost souls. They are real human beings.

In this case, they are real human beings who are suffering. Why are they suffering? Because of us. All so we can have a \$245 billion tax cut. That includes a capital gains tax cut, which would be good for me and just about every other Senator in this body, each of whom makes in excess of \$133,000 a year. We will get a tax cut. People making less than \$30,000 a year will see their taxes go up.

The interesting thing is we are always standing on the floor of the Senate pontificating about what the American people want, especially when we think the American people want what we want. I heard people time and time again saying that people want a tax cut. The truth of the matter is, they do not. Look at this chart. This shows 10 polls asking whether Americans prefer tax cuts or deficit reduction: USA Today/CNN/Gallup in December 1994; New York Times/CBS in January 1995; Wall Street Journal/NBC in January 1995; Washington Post/ABC in February 1995; Times/Mirror, February 1995; Wall Street Journal/NBC, March 1995; Los Angeles Times, March 1995; USA Today/CNN/Gallup, April 1995; the New York Times/CBS, April 1995; New York Times/CBS, October 1995.

In every single one of them, a majority of people said, "Do not cut taxes until you balance the budget." Congress is supposed to at least be mildly responsive to what the American people believe.

Mr. President, let me add something interesting about this last New York Times/CBS poll taken in October 1995. I hope all my Republican friends are listening. The national polls showed that overall, 60 percent of those surveyed did not want a tax cut until after the budget was balanced, 35 percent did. But among Republicans surveyed, the figure was 68 to 30. Well over 2 to 1 of Republicans said do not cut taxes until you balance the budget.

So how did this huge tax cut proposal come to be? Well, the Budget Committee asked CBO to make a study and say, if we get a balanced budget by the year 2002, how much will we save in interest costs and other dividends from a balanced budget?

CBO said, "\$170 billion." So how did we decide to use that fiscal dividend? Use it to soften Medicare cuts? No. Medicaid, our health care system for the poorest of the poor, one-half of which are children? No. Education? No. Environment? No. Earned income tax credit? No. The Budget and Finance Committees said, "Oh, \$170 billion dividend for balancing the budget. Let's give that and another \$75 billion to the richest people in America in the form of tax cuts."

If you have not seen Kevin Phillips' recent article, I recommend it to everybody. He is no bleeding heart liberal. He points out what happened in 1981. If we followed the Reagan prescription of cutting taxes, we were told, we would generate so much economic activity we would balance the

budget by 1984. So 1984 came around and the deficit was up to almost \$200 billion. It was \$58 billion his first year as President, and after we passed everything he asked for, the deficit in 1984 was not balanced, it was \$200 billion out of balance.

Then we went to Gramm-Rudman. Gramm-Rudman was going to balance the budget in 3 or 4 years. And the rest of the story is painfully known to everybody in America. The budget deficit soared once again.

Then we had that fiasco at Andrews Air Force Base. We were going to balance the budget by 1993. What happened? The budget was headed for almost \$300 billion in deficit.

Forgo the tax cut, Mr. President, and take two-tenths of a percent off the Consumer Price Index, and we will be 90 percent of the way home toward a balanced budget. We will not have to tell the nursing home patients of this country that their children are going to have to start picking up the tab for their care in the nursing home. You do not have to tell the elderly when they go to bed at night they might be destitute the next morning because of a catastrophic illness.

Mr. President, I came here to vent my frustration and, hopefully, make a little sense about what is going on and what is not going on. What is not going on is the people's business. I yield the floor.

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ROBB. Mr. President, might I inquire of the Chair if we are in morning business or if we are on the Defense authorization bill at this point?

The PRESIDING OFFICER. We are on the Defense authorization bill.

Mr. ROBB. Mr. President, although it could be properly conducted on the authorization bill, under the Pastore rule I ask unanimous consent that I be recognized as if in morning business for not to exceed 10 minutes. And it will probably be considerably less.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator from Virginia may proceed.

Mr. ROBB. Thank you, Mr. President.

IMPASSE OVER BUDGET NEGOTIATIONS

Mr. ROBB. Mr. President, I just want to address the question that is bothering just about everyone who serves in Congress today and most of the people who live in this area and many of the rest of the people around the country. And that question has to do with the current impasse over the budget negotiations and the shutdown of our Federal Government.

Mr. President, I understand the deep feelings and convictions held on both sides of this argument. It goes to some very fundamental choices that are important to this Government today and in the future.

I think it is very unlikely, given the deep-seated convictions that are involved on both sides of the question, that the budget impasse will be resolved in the near term. Indeed, if both sides were to agree today on how we could solve the budget problem—and I'm not simply talking about a continuing resolution, but the budget problem—we could not craft, draft, pass, and send to the President a responsible compromise budget in the time remaining before Christmas and the holiday period. I say this with the understanding that we are already in the first day of the Jewish holiday of Hanukkah as I speak.

Mr. President, while I have never been an advocate for tax cuts before we balance our budget, I have consistently supported a balanced budget. I have consistently supported a 7-year balanced budget. I have consistently supported using Congressional Budget Office figures. And, indeed, both sides have come to an essential agreement on these parameters for any compromise.

But, in light of the difficulty in forging an overall budget agreement, I suggest and appeal to the leaders on both sides of the Capitol to do what they can today to extend the continuing resolution that will allow the processes of Government to continue. This partial shutdown is simply irresponsible and, frankly, one that none of us can adequately explain to anyone who is affected by it.

Admittedly, I represent a State that has a disproportionate number of those most directly affected, but the pervasive effect of the partial shutdown goes far beyond the people who are actually the professionals of Government and who make Government run. It goes to the local economies in which these individuals live. It goes to the confidence of the international and national financial markets.

Indeed, with respect to the first shutdown, the original projections were very significant in terms of the dollars that were directly lost. We had some 800,000 Federal employees sent home and then ultimately paid for the time they were sent home. And we had a complete loss of confidence in our Federal Government for failing to do what we have been sent here to do.

As I have said, the differences between the two sides are clearly very difficult to reconcile. And, indeed, it is entirely possible that the question of whether or not we have block grants or entitlements may not be resolved until after the next general election when we will elect a President of the United States and all of the Members of the House of Representatives and a third of the Members of this body—because that question is fundamental to our system of values.

But nothing for either side will be accomplished by continuing the partial shutdown of the Federal Government. While it is only within the power of this body to end it, there has been re-

sistance to passing a continuing resolution that does not affect, in part, the arguments that are embraced as part of the larger budget debate that is taking place.

But, Mr. President, both sides have made their points on the larger issues of balancing our budget. Now is the time to approve a continuing resolution that would allow our Government to function and not drain taxpayer resources and public confidence. Then the larger questions, where the views are so deeply held and the rhetoric to date has been so irreconcilable, can be addressed in due course.

So, Mr. President, to the leaders of Congress and the President, I say publicly, as I have done privately, continue to work on the great issues that are the subject of the debate that we are engaged in today, but also give the Government an opportunity to move forward at this time by allowing Congress to pass and the President to sign an extension of the continuing resolution. We can then continue to see whether or not we can resolve the larger questions.

I will close by thanking the Chair and thanking other Members who have been very patient while I have made this particular plea. The plight of many of those directly affected and many others indirectly affected at this time of year is serious, one that should not and, as far as I am concerned, cannot be ignored.

With that, I thank the Chair and yield the floor.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I ask unanimous consent to proceed as in morning business for 15 minutes.

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

(The remarks of Mr. NICKLES pertaining to the introduction of S. 1484 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

THE BUDGET

Mr. NICKLES. Mr. President, I see my friend and colleague from Arkansas is on the Senate floor and I heard part of his comments in regard to the budget impasse. I say as a person who has been in on many of these negotiations, I have been very frustrated that the administration has not kept its commitment to come up with a balanced budget in 7 years using honest economics. We have had 4 weeks since passage of the continuing resolution. That was 4 weeks of time almost totally wasted, and we have not had a fruitful or real productive effort by the administration. Their last budget submission did not use Congressional Budget Office economics which, because they have been revised, include \$135 billion of savings, enabling it to be easier to balance the budget.

They did come up with a back door Gramm-Rudman to raise taxes if you

do not meet the deficit targets. That is not what we have done in the past. In the past if you did not meet the deficit targets we had an automatic sequester, or across the board cut, of spending. This administration did the opposite. They say if you do not meet the deficit targets—and they did not give us the specific language—but they said if you do not meet deficit reduction targets we will have tax increases or postpone tax reductions. In other words, taxpayers, you come out short if we are incorrect. If our spending exceeds our limits or if the deficit continues higher, instead of cutting off the money coming out of Washington, DC, we will take more money from taxpayers. Taxpayers beware—that is a bad deal.

I hope the administration will step back and say, "Wait a minute we committed to do this. We will do what we say." I tell my friend from Arkansas that I think it is in President Clinton's interest to do it. Some say we have to have Republican winners or Democrat winners. We should not be doing that. Mr. President, we should be doing what is right for this country: Balance the budget. Can we balance the budget? Yes. Can we balance the budget and give modest tax relief? Yes. Have we said it is negotiable? Yes, but we need to negotiate. You cannot negotiate apples and oranges. This administration has yet to put down a real budget so we can compare figures.

They have engaged in a lot of demagoguery. It was very frustrating to me to hear the President of the United States on his radio program a week ago Saturday say, "I cannot support that budget because it devastates Medicare, devastates Medicare. Unacceptable cuts in Medicare." The facts are we are spending \$178 billion in Medicare today. The facts are in the year 2002 we will spend \$293 billion in Medicare. That is not a cut. That is an increase of over 50 percent.

Mrs. Clinton when testifying before Congress in the summer of 1993 said, "We want to not cut Medicare. We want to reduce the rate of growth in Medicare to 6 percent or 7 percent." That is not a cut. It is reducing the rate of growth to twice the rate of inflation. Mr. President, under our proposal Medicare grows by over 7 percent per year—more than what Mrs. Clinton called for 2½ years ago. Yet this President and many in Congress have tried to say play political Mediscare and see how many senior citizens they can scare into believing we have a bad budget and score political points instead of doing what needs to be done.

I was on the conference to help write the Medicare provisions and I think those provisions make sense. They offer senior citizens options and choices and medical savings accounts. They keep the premium at 31.5 percent for part B beneficiaries. To me that makes sense. Originally it was at 50 percent.

Some people believe it is better to score political points. Maybe they have

been successful in scoring points, but certainly they have not been successful in doing what is right. What is right is balancing the budget and being fair and being honest. This administration has not been honest. That probably bothers me more than anything.

It bothers me when you have an administration that says "Yes, we signed a continuing resolution"—it became law—"that says we will balance the budget in 7 years using updated Congressional Budget Office numbers," and they have not done so. Not in their first budget, their second budget, their third budget after the continuing resolution was signed, and last Friday on the fourth budget. They did not do it then, either. To me, that bothers me as much as anything else.

I would like to say we have an honest administration. I would like to say they are dealing in good faith, but that has not been the case. That has not been the case. It should be. We should have the President of the United States, when he signs something, does it. If he says he will submit a balanced budget in 7 years, he should do it. We did not use hocus-pocus numbers. We used revised Congressional Budget Office numbers, and they have yet to do it. To me that is very, very unfortunate.

Mr. President, I regret that the President of the United States vetoed the Interior bill. I regret that he vetoed the Department of Veterans and HUD and other agencies bills and the Commerce, State, Justice bill. That means there are hundreds of thousands of people that are furloughed. I will not say they are out of work. They may not be working today but most everyone assumes they will be paid. The President should have, in my opinion, signed those bills, and should be contacting the majority leader of the Senate, Senator DOLE, and the Speaker of the House, Mr. GINGRICH, and saying, "Let's work out a deal and balance the budget."

The numbers are not that far apart. I tell my colleagues under our proposal we were saying, according to Congressional Budget Office figures, our proposal would spend about \$12 trillion in the next 7 years. The President's proposal in his June budget said they would spend about \$12.8 trillion over the next 7 years. Since then, we have come up and said we are willing to spend a little more, and went to \$12.1 trillion.

The President has never given us their outlay figures for the next 7 years. I asked for that weeks ago. They said they had a budget but they never told us, "Here is how much money we want to spend in Medicare the next 7 years." They never said, "Here is what we want to spend in Medicaid for the next 7 years." They never said, "Here is what we want to spend for defense and other categories." They worked in broad categories and never gave us specifics on a year-by-year basis. So we have to say, where are their figures?

They did not give them to us. How are we supposed to negotiate with them? We have figures. We can tell you what dollar amount we are going to spend in every single category in the Government for the next 7 years. How can we negotiate with an administration that will not give us the same thing?

That maybe voices a little of the frustration that I have working with this administration. I hope they will change. I hope they will get on the phone. I hope President Clinton will contact the congressional leaders and say: Let us work it out. Let us balance the budget. Let us do it and let us do it now, because it is the right thing to do. It should be done. It is irresponsible not to do it.

We have a chance to make history. We have a chance to do what is right. We have a chance to balance the budget. We have a chance to stop this process of \$200 billion deficits forever, and that is what President Clinton's budget is. His June budget had \$200 billion deficits forever, according to the Congressional Budget Office. That is not acceptable. That is totally not acceptable.

So, I think it is awfully important for us not to continue this kind of irresponsibility, in my opinion, by the administration. It cannot continue. We need to change it. I hope the President will contact the leaders and say: Let us sit down, let us talk, let us use real numbers, let us use the same numbers, let us work out our differences and come up with a package that will benefit all Americans—not really be a benefit for the Republicans or Democrats but be a real benefit for the American people.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, in a moment I want to make a few remarks about the defense bill. Before the Senator from Oklahoma, my good friend, Senator NICKLES, leaves the floor, I would like to pose these questions.

First, why is it that we have to shut the Government down in order to continue negotiating? Second, who do you think benefits from that?

Mr. NICKLES. If the Senator will yield, I will say, the President had the opportunity today to sign three bills—there are six bills that are still outstanding. In my opinion five of those six bills could be signed by tomorrow. The only bill that is left outstanding is the Labor-HHS bill, which is not being held up by Republicans; it is being held up by Senate Democrats. I think that is very unfortunate.

Mr. BUMPERS. But, Mr. President, would the Senator not agree that, under the Constitution, if the President does not like a bill he not only has the right, but the solemn duty, to veto it? And Congress has the right and the solemn duty to try to override it.

Yet, while we have operated that way for 206 years, all of a sudden we have a new deal, that if you do not have the votes to override a veto, you shut the Government down, and, in addition to that, send 250,000 people home this morning, saying do not come to work but we will pay you for it anyway. Who benefits from that?

Mr. MACK. Will the Senator yield?

Mr. NICKLES. I will be happy to yield to my colleague from Florida in a moment. The President of the United States is the one who sent most of these individuals home because of his vetoes today and tomorrow. Those bills affected hundreds of thousands of people. The President had the right; he could veto the bill. But the President is the one who sent those individuals home. If he were to sign those bills, my colleague, I am sure, would concur, there would be no furloughs. Those employees would work. He had that option. He chose to veto bills. So he is directly responsible for sending those hundreds of thousands of people home today.

Mr. BUMPERS. Mr. President, if I may say so, I have only been here 21 years; not as long as the Senator from North Carolina who I see here on the floor, but pretty near. I have never—I have never—witnessed anything like this and hope to goodness I never witness it again, where, instead of passing a continuing resolution to allow people to operate at even a severely constrained level, even much less than they got last year, we shut down the Government instead. Actually, if I were the President I would be a little ambivalent about this, because, if we continue operating on a continuing resolution, we might get a balanced budget faster because a lot of these people are operating on a severely constrained budget.

But my point is this. We have never—we have never—taken the option of shutting down the Government simply because we disagree with the President. It seems to me we might wind up having to have a constitutional amendment one of these days to say that is absolutely prohibited. Congress would be solemnly bound to pass a continuing resolution or something.

I must tell you, I am at an absolute, abject, total loss as to how anybody can possibly believe that the country's business is being well served by shutting the Government down. I do not care how much you disagree with the President.

Mr. NICKLES. If the Senator will yield, I hope you will contact the President and tell him to sign those bills, and those individuals would go to work.

Mr. BUMPERS. Even if I did, he would not because he disagrees with them. And that is his prerogative as President.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I think the Senator from Oklahoma and

I, if we sat down and talked about this for a couple of weeks, we might work something out even though we have very serious disagreements. I know the Senator was euphoric, and I was depressed, in November 1994 when the American people took away the long, long, 40-year Democratic majority in the House and, I guess, about a 10-year majority in the Senate. They were voting for a whole host of reasons. Some of them were mad about gays in the military. Some of them were mad because we had not passed a constitutional amendment on prayer in school. Maybe some of them wanted a flag desecration amendment to the Constitution, or term limits. Maybe some of them missed a Social Security check that month. I do not know. I do not think there was one single thing, one single thread that ran through the election of 1994 that caused people to vote the way they did.

But I will tell you one thing. They did not vote for chaos, and that is all they have had.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. BUMPERS. On the defense authorization bill, I was very pleased to listen last week to a man whom I believe is probably the most respected man in the United States on defense issues. He and I have had very serious disagreements, particularly about the size of defense spending. But I have never really questioned his motives, his intellect, or his understanding of the defense issues. Yet he stood on the floor last Friday and said he fully intended to vote against this defense authorization bill. That was SAM NUNN, the distinguished Senator from Georgia.

He gave a lot of reasons, not the least of which was this so-called national missile defense system.

Somehow or other, the people in this body simply cannot give up on the Soviet Union. Our defense policies and our State Department policies for as long as the memory of man runneth not, has been keyed to that terrible evil empire of the Soviet Union. We have spent tens and hundreds of billions—trillions, really, because we were so frightened of the military might of the Soviet Union.

Interestingly, 2 weeks ago we learned that a lot of our defense spending and a lot of our policies were based on misinformation given to us by spies for the Soviet Union who were feeding us disinformation about how powerful the Soviet Union was, and it played right into the hands of the defense industries and the hawks of this country, and we spent trillions of dollars. That is one of the reasons we are in the pickle we are in with a \$5 trillion debt we are trying to do something about.

Now we come back, because we still cannot give up on that anti-Soviet

mentality, and we say we want a national ballistic missile defense system in place by the year 2003 that will protect all 50 States. There is not any doubt, and neither the chairman nor the ranking member of the Armed Services Committee would refute, that that is going to require multiple antiballistic missile sites.

And when you start talking about multiple sites, you are talking about a direct abrogation of the Antiballistic Missile Treaty, one of the very few treaties we still have in existence with the Soviet Union, now Russia. It says that neither country will deploy a strategic antiballistic missile system at more than one site in its own territory.

I engaged Senator NUNN in a colloquy on this subject Friday afternoon, and asked him if this is not a legislative abrogation of the Antiballistic Missile Treaty. Senator NUNN very wisely answered in language that all lawyers understand. He said it constitutes an anticipatory breach. What that means is, once we deploy more than one site, we have in fact abrogated the treaty.

Colleagues, let me ask you a question. How would we react if the Russians were to announce today, as we sit here debating this bill, that they are going to deploy a national missile defense system that will have many sites? I promise you that all 100 Senators would be on the floor squealing like a pig under a gate. And you would hear, "There they go again. You cannot trust them." Yet, here we cavalierly get ready to spend billions on a national missile defense system which will abrogate a treaty that is in the interest of the Russians, the United States, and all the people of the world.

I ask you this: To add to the question, what if the Russians were doing this, what would our response be? It would be to start deploying one as quickly as we could. And you tell me when the ABM Treaty is gone and the Russians and the United States both have national missile defense systems, who do you think is better off? I can tell you nobody is better off, and the world becomes again a very dangerous place living with a hair trigger.

The Russians are right now in the process of complying with START I. And they are complying with it by dismantling nuclear weapons. They, like the United States, are prepared to consider the ratification of START II which will cut nuclear weapons still further. Do you think if we go ahead with this national missile defense system the Russians are going to ratify START II? Of course, they are not. If we are going to deploy a system that will shoot down their missiles, they are not going to keep dismantling missiles. They are not stupid. They know exactly what is going on.

So I am going to vote against this bill because it costs too much money, because the national missile defense plan envisioned in it is dangerous in the extreme, and because we are putting \$493 million more into the B-2 program. And I defy anybody in the U.S.

Senate to read the committee report and tell me what we are going to do with the money for the B-2. Is it for advanced procurement for more bombers? Or is it to take care of the flaws in the present bombers?

The committee report had one line that was the most curious line I have ever seen in a conference committee report. It said the Senate conferees believe so and so. Who cares what the Senate conferees believe? It is what the conference of the House and the Senate both believe that we are supposed to be voting on.

It reminds me of a story about a little boy. The teacher said, "What do you believe?" The boy said, "I believe what the Methodists believe." She says, "And what do the Methodists believe?" He says, "They believe what I believe." "And what do both you and the Methodists believe?" "We both believe in the same thing."

Mr. President, I invite all of my colleagues to read the committee report and tell me where the \$493 million is going.

Finally, I can remember all the years I have been here and posing the question about things in our defense budget: Why are we doing this and why are we doing that? And the answer has been, well, the President wants it, the chiefs want it, and the Secretary of Defense wants it. So we went merrily on our way spending tens of billions of dollars because they wanted it.

Now you ask the powers that be in the U.S. Senate. Why are we doing it when the Secretary does not want it, the President does not want it, and the chiefs do not want it? The answer is, what do they know?

Mr. President, at a time when everybody is groaning and straining to deal with the balanced budget and trying to accomplish a balanced budget, we have a defense appropriations bill which the President has already signed. I disagreed with the President on that because, as I have said before, my good friend, the President, has a right to be wrong just like I have. There is \$7 billion more in that bill than anybody asked for—ships being built that they did not ask for, and in places where there was no bidding.

So, Mr. President, I do not know how much longer this bill will be debated, but I can truthfully say that I think it is a terrible mistake. I think the world will be less safe once we pass this conference report.

I yield the floor.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I ask unanimous consent to speak as if in morning business for up to 10 minutes.

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

Mr. GRAMS. Thank you, Mr. President.

Mr. GRAMS. Mr. President, during this second shutdown of the Federal

Government, I am reminded of the old saying that two wrongs do not make a right.

I believe it is wrong to tell 300,000 Federal workers that because the Government considers them nonessential, they cannot come into work today.

But Mr. President, it is even more wrong to then turn to the American taxpayer and tell them to pay these workers for not working.

That's right. For the second time this year, Washington is requiring taxpayers to pay with their hard-earned dollars for services that will never be given.

While we may have honest differences about the amount of government people should pay for, I think we can all agree that taxpayers should not be forced to give something for nothing. But that is exactly what they are getting for their tax dollars: nothing.

What is worse is that this whole situation has arisen because President Clinton has refused to carry through on his promise to deliver a 7-year balanced budget using real numbers.

One month ago, when the first Government shutdown occurred, the debate was over whether or not to balance the budget in 7 years. It took a week, 800,000 furloughed employees, and a lot of complaints from the American taxpayers, but the President finally got the message.

We came to an agreement by both Congress and the White House that the American people would finally get what they have been calling for—a real 7-year balanced budget. Gridlock was over. Or so we thought.

Instead of following through on his promise, President Clinton has deliberated, deferred and delayed his balanced budget proposal. The only thing he has not done is delivered—and it does not look like he ever will.

Make no mistake about it—the shutdown of the Federal Government and the problems it has caused the American people lie squarely on the shoulders of one man—William Jefferson Clinton.

Nothing symbolizes that fact more than President Clinton's generous offer this weekend to pay out of his own pocket the cost of keeping the White House Christmas tree lit.

What the President did not say is that the bill which would pay for this expense—the funding bill for the Department of the Interior—was sitting right on his desk over the weekend, unsigned.

Now that the President has vetoed the Interior appropriations bill, is he prepared to pay for all the programs at the Department of Interior that he is holding up?

Will he personally pay for the expenses at the Departments of Veterans' Administration, Housing and Urban Development, Commerce, Justice, State and any other agency whose funding he has vetoed?

Are the Democrats who are holding up the Labor-HHS bill in the Senate

willing to use their salaries to pay for the programs at the Departments of Labor, Health and Human Services, and Education?

Are they willing to pay with their own money for the Low-Income Heating Energy Assistance Program, the funding for which they have stalled and refused to consider, even today in mid-December?

Obviously, the answer is no. But if they did, if they were the ones forced to pay the bills, instead of the taxpayers, maybe things would be different. Maybe we would not be so willing to lay off Federal workers and then pay them for not working. Maybe we would not have so much Government to pay for in the first place.

Unfortunately, justice and fairness for the taxpayers is not a concept well received in Washington, and as a result, the American taxpayers are stuck with the bill but without services rendered.

On Friday, I introduced legislation that I believe will reverse this trend and restore some fairness to the taxpayers. The Federal Employment Taxpayer Accountability Act would eliminate the current distinction in law between nonessential and essential Federal workers, thereby considering them all essential.

After all, if a worker is considered nonessential on 1 day of the year, what makes them so essential on the other 364? And why should we force the taxpayers to pay for a service that is considered nonessential?

My legislation would ensure that all Federal workers are at their desks every day, that they no longer be used as pawns in a Washington chess match over the budget.

It will help lift the morale of Federal workers by letting them know that their efforts are recognized and appreciated, while guaranteeing the taxpayers that only an honest day's work earns an honest day's pay.

Mr. President, two wrongs do not make a right, nor do three or four or the many wrongs Washington has done the American taxpayer.

Let us do something right for a change. Let us protect the taxpayers from having to pay for unsolicited vacation days in Washington because it is the right thing to do. Let us pass and get signed into law the remaining appropriations bills because it is the right thing to do. And let us deliver the American people a real, honest 7-year balanced budget before Christmas because it is the right thing to do.

As 1995 comes to an end, I ask Congress and the President to make an early New Year's resolution on behalf of the taxpayers and our children and grandchildren that we will keep them in forefront of our minds as we conduct the people's business by doing the right thing.

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

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, I ask unanimous consent that I be allowed to continue up to 10 minutes as if in morning business.

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

A DEFICIT DILEMMA

Mr. BENNETT. Mr. President, in this morning's Washington Post, there was a very interesting op-ed piece that I cannot refrain from commenting on. It is written by Terry Deibel, and it is entitled, "A Liberal Deficit Hawk's Dilemma."

Mr. Deibel describes himself as a liberal who believes in Government, believes that the Federal Government can and does do wonderful things, but that the Government should not "spend more money to do these things than it collects."

He then offers us this fascinating solution to our present dilemma from his position as a self-styled liberal deficit hawk. And I am quoting, Mr. President.

To be sure, a good deal of budget balancing could be done in a policy-neutral fashion. A simple freeze on outlays at current levels or a small across-the-board cut in everything—all spending, all entitlements, including Social Security—prolonged over several years of economic and revenue growth eventually would do the trick without any allocation decisions.

I was stunned when I read this. Here is a man who is a liberal, describes himself as a liberal deficit hawk who is proposing a program far more draconian than anything the Republicans have ever contemplated, a freeze, Mr. President, in all spending across the board, or even a small across-the-board cut in everything—entitlements, including Social Security.

No Republican has dared offer anything that drastic or that draconian. What this says to me, Mr. President, is that Mr. Deibel has fallen victim to the rhetoric of this Chamber and, if you will, of the White House. He has come to believe, as do many of my constituents, that the Republicans are calling for drastic cuts in everything, and he says let us solve the problem with a simple freeze.

Let me give you a few numbers, Mr. President. Total Medicare spending in 1995 was \$178 billion. If this proposal were put in place, that means years from now Medicare spending would be frozen at \$178 billion in contrast to the draconian Republican call for spending of \$301 billion in the year 2002. He is calling for a commonsense, neutral position that would freeze the budget at \$178 billion but, no, those stingy Republicans want to increase it from 178 to 301—a 69 percent increase.

I say to you, Mr. President, he, like too many people, has fallen victim to the rhetoric of this debate without looking at the facts.

On Medicaid—another area where we are being told the Republicans are calling for heartless slashes—this man, a

liberal, says, no, let us take care of Medicaid by simply freezing it at its present level. Its present level is \$83 billion. Under the Republican proposal, by the year 2002, it will reach \$143 billion, a 58-percent increase. But we are being pilloried for being heartless when common sense tells this man we can solve the problem if we just freeze it.

Again, he is a victim of the rhetoric. He does not realize, as, unfortunately, too many people do not realize, the Republicans are not saying let us slash these programs. The Republicans are saying the programs are legitimate, the programs need to grow, as the needs of our people need to grow, but let us let them grow at some kind of intelligent rate. But with the rhetoric, even a man of his knowledge and understanding—and he is identified in the Washington Post as chairman of the Department of National Security Policy at the National War College—even a man of his position and understanding has fallen victim to this rhetoric. I hope he will understand now that the freeze he is calling for as the logical solution is so much more draconian than what the Republicans have suggested that if we were to in fact embrace his proposal, we would be crucified—I think justly—by both the press and, of course, the members of the opposite party.

Now, I cannot conclude without referring to one specific that he talks about which is a further demonstration of the way the rhetoric has distorted the reality. He says:

It is quite possible, after all, to cut corporate welfare or end the great-western-lands-grazing-and-mining free-lunch program, for example, rather than cut poor people's welfare and the school lunch program.

Once again, if you listen to the rhetoric on this floor, you would think that the reason the budget is out of balance is because of the tremendous spending in the West on grazing and the reason we are heartless is because of our cuts in school lunches.

I participated in the filibuster that was mounted on this floor to prevent the Secretary of the Interior from implementing his increase in grazing fees, which we were told would be the way to make everything fair.

The total amount of money that would have come to the Federal Government if the Secretary of Interior had been successful in his effort to increase those grazing fees is \$19 million per year. That is million, "m" as in "minuscule," Mr. President, \$19 million. That is less than we spent to put the new subway between the Capitol and the Senate office buildings.

By comparison, his implication is you could pay for school lunches if only you did away with the grazing program in the Midwest. In 1995 we will spend \$7.9 billion on child nutrition, "b" as in "big." And in 7 years, under the draconian Republican budget, spending on child nutrition will increase to \$9.2 billion a year, a 16.4-percent increase.

I challenge anybody to try to pay for the present program, let alone the increased program, by doing something about a grazing plan in the United States that is currently, by the Secretary of the Interior's own analysis, costing the taxpayers \$19 million.

Before I leave that, however, because \$19 million is, after all, \$19 million, I would refer you to the study that demonstrated that had the Secretary's proposal gone through, instead of receiving \$19 million in additional revenue, in fact it would have driven enough marginal operators off the range that the actual income to the Federal Government would probably not only have been less than \$19 million, but in fact might have endangered the money that they were receiving from the present grazing fees. The revenues could have gone down rather than up.

I will not pursue this any further, Mr. President. I think this is an example of what is wrong with our political dialog. The Republicans are proposing increases, in many cases very substantial increases, in some of our most fundamental programs, and yet the rhetoric around it has been so extreme that even a man of Mr. Deibel's position and understanding thinks he can improve on the Republican's proposals by freezing everything at the present level.

If there was ever a demonstration of the excess and inaccuracy of the rhetoric of this debate, it is Mr. Deibel's op-ed piece in this morning's Washington Post.

I yield the floor.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER (Mr. HELMS). The Senator from Florida.

Mr. MACK. Thank you, Mr. President.

THE BUDGET AND OUR COUNTRY'S FINANCIAL MARKETS

Mr. MACK. Mr. President, this past Friday I made some pretty strong comments with respect to President Clinton's—maybe it was Mr. Panetta's—proposal which we saw. There was great anticipation, if the President will recall, that last Friday there was going to be a new, serious proposal to balance the budget that President Clinton was going to bring to the table.

I felt, and I think expressed in pretty strong language, that it was a phony attempt. In fact, I thought it was an insult to the Congress, frankly, that the President would come forward with that proposal.

But something significant has happened since Friday. We may in fact have a new player in this budget debate. We may in fact have a new player to the debate which over the last 30 days or so has been between the White House, the President, on one hand and the Congress on the other. The third party who I think has now come to the debate is the financial markets of our country.

For those who have not been observing what has occurred today in the

stock markets and the bond markets, you may be surprised to learn that the stock market fell just over 100 points today. And interest rates begin to climb, the long-term bond went from just over 6 percent to about 6.2 percent. This is the first shot across the bow that the financial markets have fired, which I think are really directed at the President. The markets have had the opportunity over the weekend to analyze the President's proposal. And they have concluded that there really is no truth to the President's statement that he wants to balance the budget.

It has been 1 month or it will be 1 month tomorrow since the President signed the statute saying that "I will commit myself to balancing the budget over 7 years using real numbers." I concluded last Friday that he absolutely failed to do that; that, in fact, his proposal was an insult. There was absolutely no value to what he did last week except political.

Mr. President, I would claim that the markets have in fact reacted the same way. They analyzed the President's proposal over the weekend and they also concluded that it is a phony proposal. It will not get us to a balanced budget. In fact, it really pretty much leaves us where the Congressional Budget Office said we were prior to this last proposal put forward by the President; and that is, in the seventh year there would be a deficit of \$116 billion. I believe this is the fourth plan that the President has put forward, maybe the third. There have been so many different ideas the President has come up with to avoid offering a balanced budget proposal that I have forgotten which one this is. The President has just completely attempted to stay away from balancing the budget. He says he wants to do it, but when you look at the actions of the President of the United States he has failed.

So, Mr. President, again I think one thing that my colleagues in the Senate on the other side of the aisle ought to understand is that there is a new player now. And that is the financial markets of this country. And that should be no surprise.

On November 8, 1994, the day of the last election for the U.S. House of Representatives, the day the Republicans took control of both the House and the Senate, was the specific day that interest rates in this Nation peaked, at a little bit over 8 percent. Since November 8, 1994, those interest rates have been steadily coming down, down to the point of just barely above 6 percent.

We had some analysts from the Wall Street area come down to Washington several weeks ago when we got into a debate about just how strongly the Congress should position itself with respect to the debt ceiling and other means of leverage to try and get the President to move to a balanced budget. And during that discussion I remember one of the analysts commenting that if there is a failure to

balance the budget, if no agreement is reached, the markets will crash.

I also recognize that my friend, the Speaker of the House, made reference to that point, and was chastised, I believe, for using harsh rhetoric. Some said the Speaker of the House should not use that kind of language.

I must say to you that when I heard the analyst make this comment with respect a crash, I think most of us have this tendency to think of what occurred in 1929 as being the definition of a market crash. So I asked them what did they mean, to them what would be a crash in the market? Their response was that interest rates would go back up, about 2 points, and we would probably see the stock market fall somewhere between 200 and 300 points, if I recall.

The interesting thing, again, is that in 1 day we have seen a decline of 100 points in the stock market. And I believe that that has occurred because of the President's failure to come forward with a balanced budget alternative and the markets are beginning to get nervous about whether we will make it or not.

Moreover, I also think the President's failure to submit a serious budget may affect the Federal Reserve Board. The Federal Reserve Board will be making the decision tomorrow about what to do about interest rates. I suspect that they were extremely disappointed in the President's proposal as well, and the markets are concluding that since the President is not serious about balancing the budget that it would be a mistake for them tomorrow to lower interest rates any further. That is a decision they will have to make, but I think that is a fair scenario to place on the table.

So, again, the reaction that we have seen in the last day with respect to the President's proposal has already had an effect on the stock market and the bond market, and I am suggesting another impact very well could be on the decision by the Federal Reserve tomorrow.

I talked to those financial experts about the benefits of balancing the budget. I talked to them about the importance of bringing down interest rates, and during those same meetings, they told us the interest rate probably could come down even further; that if we were to come to an agreement over balancing the budget, we could see long-term interest rates in this country decline to the 5½ range.

I must say to you, Mr. President, having been a former banker, I can remember making those first loans on a single piece of paper—but that is another story of what has happened to our country as a result of the bureaucracy and the redtape which has been created. It was on a single piece of paper, and the interest rate was at 6 percent. I must say to you that over the years I had lost hope that we would see long-term interest rates return to a level of below 6 percent. But, frankly, I

believe that this is within our grasp today.

If the President were serious about coming forward and giving us at least his alternative—we are not telling him he has to agree with ours, but at least put his alternative on the table telling us how he would balance the budget in 7 years with CBO numbers—then we could sit down and negotiate. If he would do that and we could reach an agreement, and I believe that we would see long-term interest rates come down to the 5½ and 5¼ range.

What does that mean? To the families of America, to those young families who are trying to get a start, let me tell you something, there is a big, big difference in obtaining a mortgage at 5¼ percent versus 8¼ percent. It not only will affect the mortgage payments that they will make, it will affect the cost of the automobile loan, it will affect and reduce the cost of a student loan. There are lots of things that the average American is going to feel as a result of what happens with interest rates.

The shot today which the markets have fired is basically one that said, if you don't come to an agreement, the reduction of interest rates you have seen in this last year are going to disappear and the rates are going to go back up and America's future will not be as bright.

The other day on the floor of the Senate, I said, and I am going to repeat it again today, that the President ought to come forward with his alternative. He made the commitment to do that almost 30 days ago. It was in legislation that he signed. It was negotiated by representatives from his White House. I am going to say it once again, but I am going to read it to make sure I am very clear: This President has proven once again that his commitment to principle is nonexistent. He gave his word. He broke his word. It is a habit he does not seem able to break.

Mr. President, I yield the floor.

Mr. GRASSLEY addressed the Chair. The PRESIDING OFFICER. The Senator from Iowa.

THE PRESIDENT SIGNED AN AGREEMENT WITH CONGRESS

Mr. GRASSLEY. Mr. President, first of all, I thank the Senator from Florida for a very clear-cut statement about why we are where we are and how we can get out of it. Basically, it is the President of the United States doing what he said he would do.

We are where we are today, Mr. President, because on November 20, the President signed an agreement with Congress. This is the wording of that agreement:

The President and the Congress shall enact legislation in the first session of the 104th Congress to achieve a balanced budget not later than fiscal year 2002 as estimated by the Congressional Budget Office * * *

We have said several times that the President himself on November 20

signed legislation that said he agreed to three things: One, that he would send a budget to the Hill that was balanced. That budget he was going to send to the Hill would be the third one, because remember, he sent one in February, he sent one again in June and this would be the third one. It would be balanced by the year 2002, the same as when Congress said that we would balance the budget.

What is magic about 2002? It could be 2001, it could be 2003, but really what is magic about 2002 is that in February of this year, we had 66 Senators—that is Republicans and Democrats, because there are not 66 Republican Senators—a bipartisan vote that the budget should be balanced by the year 2002. The House of Representatives had a vote about a week or two earlier with 301 votes. That is Republicans and Democrats. That is a bipartisan vote that said we should do it by 2002.

There is nothing revolutionary about 2002. That is an evolution to a balanced budget. That is a Republican evolution to a balanced budget.

For a lot of people, it is too, too slow. We probably got more people in this country mad at us because we are taking until the year 2002 to balance the budget than by 2002. The President says that is extreme. Well, it cannot be extreme if he signed the agreement that he was going to be in favor of balancing the budget by 2002, because if that is extreme, the President is extreme. I do not think anybody in this town is extreme.

The most difficult process in this town is just making the tough decisions. For our constituents, taking 7 years to balance the budget is not a tough decision. That is too evolutionary of a process for balancing a budget. They would like us to be more extreme than that. They would like us to do it sooner.

Do you know why they think we should do it sooner? Because each month they have to balance their checkbook, live within their income or, if they are a small business or small farmer, they have to live within their income. They cannot be like Government, borrowing money all the time.

But the President signed that he would submit by December 15 a balanced budget and that it would be scored by the Congressional Budget Office. Those three things are pretty key to the President keeping his word when he signed this.

The first budget that they sent up here about 2 weeks ago was not in balance, \$400 billion out of balance, as scored by the Congressional Budget Office; \$115 billion deficit even the last year.

We are here today because we are still waiting for the President to deliver on what he signed into law on November 20. Where I come from, that means you sit down to make a deal, you put some numbers on the table, and those numbers should be within the guidelines of the debate. The de-

bate is to have it balanced and scored by CBO, the Congressional Budget Office. By the way, the nonpartisan Congressional Budget Office, not scored by the Office of Management and Budget which is part of the White House which is headed by a Presidential appointee. The Congressional Budget Office, nonpartisan, people who do things based upon their study of forecasting the future and what programs are going to cost in the outyears, not what some Republican or Democrat says it is. Their reputation of being a true judge of what things are going to cost when they score it is at stake.

Last Friday, they made another attempt to come up here. I suppose that would be the fourth budget this year. It was still off. But what did they do about the Congressional Budget Office scoring? They said, "Well, we don't agree with it." This does not say anything about agreeing with it. You just simply present your numbers and let the nonpartisan budget office score it. Let the chips fall where they may.

"Mr. President, if you come up short someplace, we understand. Just go back to the table and submit a new number, but get something that the Congressional Budget Office can say is in balance."

The only thing we Republicans—maybe I should not speak so definitively—the only thing we Republicans care about is that the budget is balanced by 2002, because I suppose each one of us has an opinion on that. But I have heard enough of the people who do the negotiating for the Republicans—and for a few days I was one of the eight doing the negotiating—that when the President puts a budget that is balanced, as scored by the CBO, on the table, then within the parameters, anything is on the table, including what to do about Washington spending, which we call discretionary spending, where we let the Washington bureaucrats spend it, those programs. Entitlements like Medicare and Medicaid, and even defense and taxes, are all on the table.

All we want the President to do is to play in the same boundary. If you want to keep the cows within the pasture, that means you build a fence around the pasture. Then you operate within that. And what you do within that fence is all in the ball game. Everybody negotiating with the White House and the Congress can reach an agreement. But what is so important about the fence, what is so important that is scored by the nonpartisan Congressional Budget Office, is simply that it is an end to business as usual here in Washington, that the big black hole of Government borrowing can go on and you can spend any amount of money. For the first time in 27 years, we are saying, once again, there is some limit on what you can spend—just some limit.

Now, I came to the floor to speak about another point because we always talk about the budget deficit. But there are two deficits that we can de-

feat in the process of balancing the budget deficit. The Senator from Florida spoke very well about what good is going to come to the economy. There was an economist quoted in a USA Today article, "What Life Would Be in the Year 2002 With a Balanced Budget." Some of the things they spoke to have been referred to by my colleagues on the floor. A larger economy by \$150 billion—this is by the year 2002—a \$150 billion bigger economy, more in goods and services, and lower interest rates. We would see 30-year fixed-rate mortgages below 5 percent. The last time I remember mortgages for under 5 percent was when I purchased a house in 1960. I think it was 4¾ percent. Half a percent was for FHA insurance for the 4¾ percent. You have to go back a long way to see the good that can come to the pocketbooks of the American people, such as \$2,300 per person—that is a figure for my State of Iowa—\$2,300 less per mortgage that families will be paying. If they have student loans, they will be paying \$608 less in interest on that student loan. Our economy will grow dramatically. So we are going to have lower inflation besides lower interest, we are going to have higher incomes, and we are going to have a stronger dollar.

Then the second deficit that will be eliminated besides the budget deficit is the trade deficit. Now, since, I think, 1982, 1983, or 1984 at the latest, we have been worried and scared to death about the trade deficit—that we import more than we sell and that we need to do something about it. This article quotes an economist at Meyers & Associates, who said that when we do away with the budget deficit by the year 2002, we will also be doing away with the trade deficit, as well.

So here we have a chance to accomplish this and kill two birds with one stone—get rid of the budget deficit, if we make the tough decisions that must be made on the budget deficit, and get lower interest rates, a stronger dollar, and reduce the trade deficit as well. As chairman of the International Trade Subcommittee of the U.S. Senate, there is nothing I would rather have happen than to get rid of the trade deficit at the same time we get rid of the budget deficit.

Another reason we are here is that we have been hearing for a long time, Mr. President, about how the President wants to protect Medicare. Well, my friend who is still here, the Senator from Utah, Senator BENNETT, spoke a half hour ago about how we are very dramatically increasing Medicare spending. But do not forget why we are dealing with the Medicare issue at all. It is because the President's trustees—three members of the President's Cabinet, the Commissioner of Social Security and two private citizens, appointed by the President of the United States last year—studied the problems with Medicare funding and the fact that there was a potential bankruptcy of Medicare. A potential bankruptcy of

Medicare means that at some time Medicare is going to run out of money. With the insolvency of Medicare, it will run out of money. There is no authority in the law to borrow money for Medicare, so no bills would be paid after a date stated by the trustees.

These trustees are Robert Rubin, Secretary of the Treasury; Robert Reich, Secretary of Labor; Donna Shalala, Secretary of HHS; Shirley Chater, Commissioner of Social Security, and two trustees are private citizens who are expert in this area of economic forecasting, Sanford G. Ross and David M. Walker. They unanimously, on April 2, asked the Congress of the United States to take very drastic action to end the pending insolvency of Medicare by the year 2002.

As shown on this chart, you can go back to 1985, and this is what you see—money coming in, money being paid out. Next year is the first year that there is more money being paid out of Medicare than is being paid in taxes to the Medicare trust fund. And then it spends down very dramatically to the year 2002 when it goes into deficit. You do not pay anything on the deficit because there is no authority there to borrow.

So we responded to the appointees of the President of the United States, the trustees of the Medicare system, in their report to us. We made the commitment earlier this year to respond to that need, to save Medicare, but not only to save Medicare, but to strengthen Medicare, and not only strengthen it, but go beyond strengthening it to give people, for the first time in 30 years, some choice in the type of medicine that they want applied to them by giving them the opportunity of keeping what they have had for 30 years if they want to do so, or taking the \$4,900 this year that we paid for each beneficiary per year and let that be used by that individual, by their own free choice, to buy a managed care plan if they want to do that; let them roll their own dollars by giving them the \$4,900 to put in a medical savings account; or, lastly, that they could keep a plan that they had where they last worked, like a union or association plan. That would be a choice that the individual Medicare enrollee could choose to do. You could choose to do that once a year. You could choose to leave the traditional Medicare plan and go into a managed care plan for a year. If you did not like that, come back to Medicare, or go over to a medical savings account, or go over to an association plan that you might want to have.

We responded to that. It was in the Balanced Budget Act of 1995 that we sent to the President a month ago, the same one that the President vetoed.

Mr. President, the Senate majority leader would like to have me yield. I yield as long as I do not lose my right to the floor.

A STEP IN THE RIGHT DIRECTION

Mr. DOLE. Let me indicate that the President did call both myself and

Speaker GINGRICH this afternoon about 3 o'clock. Without getting into the details of what the conversation was, I am pleased that the President indicates a willingness now to accept our invitation to get serious about the budget and balance the budget in 7 years.

I will be meeting with Speaker GINGRICH a little later this evening. I think the President's call does demonstrate that he has at least heard our pleas over the weekend and indicates a willingness to talk about a balanced budget in 7 years, using CBO figures. Of course, he has certain concerns that he feels are a priority, and we have concerns we feel are a priority. I will not get into what we discussed about those but to say I think it is a step in the right direction.

I want to thank the President for agreeing to sit down with the principals because I think it is time the principals become involved. It is time for adult leadership. It is time for us to start making decisions.

The American people want a balanced budget. They know the benefits of a balanced budget, what it means in interest rates, what it means when you buy a car, borrow money for a student loan, buy farm machinery, a home, whatever. That is the purpose for this struggle for a balanced budget and why we feel so determined it should be done.

Hopefully, there will be discussions yet today, but if not tonight, at least tomorrow.

Mr. GRASSLEY. Mr. President, I believe I will yield the floor. Based upon what the Senate majority leader has said, if the President is going to start to sit down and negotiate the way he signed into law November 20 from the point of view of submitting a balanced budget, scored by the nonpartisan Congressional Budget Office—at least that is the first good news we have had of reaching an agreement—there is no point of my taking any more time to point out the shortcomings of the White House in not living up to the November 20 agreement that they said, albeit today, the 18th of December, November 20 until now, would be 28 days. This was all supposed to be done by September 15. I am happy to know the President would take that initiative and that we will avoid the rhetoric and get down to real negotiating within that boundary of a balanced budget, scored by the nonpartisan Congressional Budget Office.

I do want to complete one point. I started the point on Medicare because I wanted to point out where the President had been condemning us, as cutting Medicare. This chart, again, is just illustrative of what the Senator from Utah has already said about 45 minutes ago. We are right now spending \$178 billion on Medicare; we are going to gradually increase that expenditure up to \$290 billion or thereabouts, maybe a little over \$300 billion by the end of this period that it takes to balance a budget.

There is no way that in the Midwest where I come from any taxpayers that I am ever going to talk to are ever going to consider that to be a cut. Just in case, for people who are cynical about those of us in Congress—and there is plenty of reason to be cynical, I know—I want to quote what President Clinton had to say about cuts versus increases like this. He was referring to increases like this, but he was evidently having somebody say you are cutting Medicare. This is what the President said on October 5, 1993, when he was commenting about the opposition of his saying he was cutting Medicare.

Medicare is going up at three times the rate of inflation. We propose to let it go up two times the rate of inflation. This is not a Medicare cut. So when you hear all this business about cuts, lets me caution you this is not what is going on. We are going to have increases in Medicare and Medicaid, and a reduction in the rate of growth will be more than overtaken by new investments that we are going to make.

That is the President as reported on "MacNeil-Lehrer News Hour," October 5, 1993.

Nobody who is intellectually honest, if you are increasing things twice the rate of inflation—Republicans are doing that, the President proposed to do that—if it was not a cut in 1993, it is not a cut in 1995. If we are going to be sitting across the table from each other negotiating, we ought to be able to do it in an intellectually honest way.

This is what the facts are, Mr. President. The facts are that we are very dramatically increasing Medicare. It is not being cut. It is often being increased at the rate of inflation. If anyone wants to know how billions of dollars affect them, they are getting \$4,000 a year now, per beneficiary, per year, of Medicare recipients. This year, it will be \$7,100.

I hesitate to say that because there are a lot of constituents out there like the one that the Senator from Utah read to us about who are going to be mad because we are not even freezing this. There are very dramatic increases.

I thank the President for coming forth. I hope this time we see real negotiations.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, I ask unanimous consent I may proceed as in morning business for up to 10 minutes.

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

BUDGET PROJECTIONS

Mr. BENNETT. Mr. President, at one point in my business career I was called upon to act as a consultant to a firm that was having difficulties. In Washington language, it had a deficit. In the language of the business world, it was losing money.

I sat down with the CEO of this company and we looked at the coming year

and he had, as is always the case in an accounting circumstance, the figure of what it was going to cost to keep the company doors open throughout the year. The cost was going to be x number of dollars every month to meet the payroll, pay the overhead, the gas bill, the light bill, the rent, et cetera.

I knew what the margins were. For those who are not acquainted with accounting, "margin" means that portion of the sale price of your goods that is not covered by the cost of goods. If you are selling a widget for a dollar and you buy the widget for 60 cents from the widget manufacturer, your margin is 40 cents, or 40 percent. This was a manufacturer, so he had a pretty good handle on what his costs were for his particular widget. He knew what the sales price was.

I looked at the size of his margin, as I recall it was around 30 percent, and then multiplied the number of widgets he was going to sell over the year by 30 percent and said to him, "The total margin that you have for the year is not enough to cover the monthly expenses that you have in overhead to keep this place open. That is your problem." It did not take an MBA from Harvard to figure that one out, but that is the problem.

He came back a little while later and he had new projections. I looked at his numbers and I noticed that he had done nothing to cut the monthly expenses but he had raised the estimate of his sales. Now, 30 percent of that sales number was a number big enough to cover the monthly expenses.

I said to him, "How did you get there? This is wonderful. You now have a projection that shows you are going to make a little money this year."

He said, "Well, I went back to all the salespeople and I told them that they were being too pessimistic and that they needed to take another look at what they might be able to sell. And every one of them responded wonderfully to my pep talk and everyone said, 'We are going to sell this much more, we are going to sell this much more.' And now, you see, my company is projected to make a profit."

I said, "That's terrific."

And he said, "Oh, I did something else. I raised the prices on some of my products. So a product that costs me 70 cents to make and I sell for \$1 and I have 30 cents of margin, now I am going to sell for \$1.10, so I have 40 cents of margin. So, the combination of increased prices and increased projections brings my proposal for the coming year into balance and we are going to make a profit this year."

The first month passed. I looked at the reactions for the first month. His costs were right where they said they would be. But his sales were a little low.

"Well," he said, "we had bad weather in January. You cannot expect January to be the real test. Wait, we are going to do just fine."

February came in. His costs were right where they said they were going to be, but his sales were a little low.

"Well," he said, "we had a little trouble in February. We had difficulty with suppliers and so on."

I went out to talk to some of the people who were actually selling the product and I said, "What is happening?"

They said, "For one thing, we cannot get the increased prices. The customer won't pay \$1.10 for these widgets. The customer is used to paying \$1, and furthermore, the widget seller down the street only gets \$1 for these widgets, so in order to get any sales at all we have to give back this price increase. It is there in the projections but it's not there in reality. Furthermore, the increased optimism in sales did not come to pass either. We are selling at the same rate we sold last year."

I sat down with the CEO and I said, "You now have 3 months in for the year. If you take the sales pattern for those 3 months and extrapolate it over the whole year you are going to lose \$1 million this year, if you do not take \$1 million out of your monthly costs."

Well, taking \$1 million out of his monthly costs meant firing some people. He said to me, "Some of these people have worked at this company for 20 years." He said to me, "Some of these people are my best friends. I have worked at this company for 20 years along with them. We socialize together. Our wives know each other. I cannot do that. They will lose their jobs."

Mr. President, the year went on. At the end of the year the company lost \$1 million. And I said, "What are you going to do next year?"

"Oh," he said, "we are going to tighten down. Oh, boy, we are going to solve this problem." And the next year the company lost \$3 million. Because they tried the same solution. Change projections and raise the prices but do not deal with your structural problem.

Does this sound familiar, Mr. President? I believe it is the description of what we are seeing with our Government right now. They look at the structural costs and they say: We cannot do anything about these structural costs. Let us change the forecasts to be more optimistic, like the forecasts of the sales force, and let us raise our prices, only in Government the way you raise prices is to raise tax rates.

The reason I harp on that is because—I gave a speech on this earlier but I think it is worth repeating—Marty Feldstein, the economist, did a study and an analysis of the President's tax increase passed in 1993. I put the analysis in the CONGRESSIONAL RECORD. People can find it. He analyzed the revenue derived from that tax increase and found that it was one-third the amount projected. Just as in the case of my business friend, the people would not pay the extra price that he put on his product, so the people in the economy, when faced with increased tax rates, changed their behavior, changed their investment pattern,

and did not pay the taxes that it was projected that they would. And, according to Dr. Feldstein, the revenue coming in to the Government was one-third the revenue projected at the time all of this was made.

Why is all of this important? Because right now one of the things we are arguing about is who gets to make the projections? We are saying it ought to be the Congressional Budget Office. The President is saying no, he wants to be like my businessman friend and have his own sales force make the projections because it will make it look better.

People say to me, how can you be sure that the Congressional Budget Office numbers will be right? I can be absolutely sure that the Congressional Budget Office numbers will be wrong, because nobody on this planet has the capacity to look 7 years ahead and tell us what is going to happen to the economy with any degree of absolute certainty. The best we can do is guess. And the Congressional Budget Office numbers are better guesses than the Office of Management and Budget numbers, but they are guesses nonetheless. So, we must recognize that going in. But guesses are made and then people go ahead and do the best they can.

In the case of the business I have talked about, investors took one look at the accuracy of the guesses that were being made and they made an investment decision. They sold the stock. And the price of the stock went down.

That is the key to this whole debate, Mr. President, because up until now the market—that is, the people that do the trading on the bond market, the people that do the trading on the stock market referred to collectively as the market—has looked at the numbers and the projections, and the suggestions that have all come out of this Congress. They have bet that it is all going to work, that the Republican proposal is going to pass, that we are going to get a balanced budget, that we are going to get the benefits that the Senator from Iowa was talking about, and the stock market is up 40 percent year over year, and the bond market has seen interest rates drop 2 full points since the Republicans were elected in November of 1994.

Over the weekend when the President did not come forward with a proposal, and when the congressional leadership responded by saying there is no point in talking anymore, for the first time the signal was sent to the market that the fix might not occur. And today the stock market dropped 100 points—just as the investors could not tell with any exactness how much money the company I was talking about was going to lose but they could sure tell the trend, and sold the stock on the trend.

The market today cannot tell us with exactness what is going to happen in 7 years. But they are worried about the trend. And the trend is signs of business as usual around here, signs of solving the budget balance issue by

changing the forecasts around here, signs of talking about the thing being taken care of in the outyears, and no action being taken right now around here. And they do not like it, and they are selling the stock. They are selling their investment in America because they believe for the first time that we may not be successful in our effort to get a balanced budget.

I learned in private business that the market can be ruthless. The market can be unfair. But long term the market is the best barometer of all of what is finally going to happen.

We had a serious signal today, Mr. President. The market is telling us to get our act together, and make this happen—not with phony estimates, and not with price increases that do not ever come to pass in terms of actual revenue but with firm resolve to deal with the structural costs built into our balance.

I conclude, Mr. President, with this analogy that illustrates what it is we must do. I was watching television about a week ago. There was a tribute on television to the memory of the late Jack Benny. I remember laughing at Jack Benny when I was a preteenager. Some people may not remember Jack Benny. But I remember him very, very fondly. In this tribute to Jack Benny they told a classic Jack Benny joke. Jack Benny, as you will recall, Mr. President, built his persona around his stinginess and his unwillingness to spend money.

So here is the joke. Jack Benny went in to see his doctor. And the doctor looked at the x rays and said, "Mr. Benny, you need an operation, and it is going to cost you \$400." And Jack Benny responded by saying, "Doctor, for \$25 can't you just touch up the x ray?"

Mr. President, that is what we are being told now. "Can't we just touch up the estimates? Can't we just touch up the forecasts, and avoid the pain of actually having to deal with the balanced budget? After all, we have been doing that for 35 years."

You can find Presidents, Republican and Democrat, all the way back to Harry Truman who have promised balanced budgets sometime, promised balanced budgets in the outyears, promised balanced budgets down the road, far enough away that, if you just touch up the estimates a little, we can convince ourselves that we do not have to do anything now.

Well, Mr. President, we do. And it is wonderful to say touch up the x ray for 25 bucks. But the underlying problem that the x ray tells us about is still there, and the operation dealing with it is still required. And if ever there was a signal coming to us as strong as anything that the retribution for our failure to act will be severe, it was in today's 100-point drop in value in the Dow as the market says for the first time we are beginning to get nervous about your willingness to do what you have said you will do.

If it is necessary for us to be here on New Year's Eve, this Senator will be here on New Year's Eve. My wife is not going to be happy to hear me say that because she is in Utah, and I am not too happy about her being there alone because she has the credit cards, and she is doing all of the shopping. But if that is what it takes, that is what we will do because the stakes are too high, and the eventual responsibility is too great for us today.

Mr. President, I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I ask unanimous consent to proceed as if in morning business.

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

THE BALANCED BUDGET

Mr. KENNEDY. Mr. President, I have listened with a great deal of interest to my good friend, the distinguished Senator from Utah, and my friend from Iowa as well, talk about the challenges that we are facing on the balanced budget.

I am always mindful of the fact that under the recommendations of President Clinton in 1993 we saw an \$800 billion reduction in our deficit. So we have someone who has been serious about trying to do something and has a record of achievement.

Still out there—in terms of the proposals that are advanced by our good friends and colleagues—I was listening carefully to see if they would talk about their tax cut of \$245 billion and the additional kinds of costs that are going to be out there for our elderly people of \$275 billion. That is still out there, and still on the table. It is a central part of the differences which are out there. The fact that there are those on the other side of the aisle that want to use those Medicare savings for tax breaks for the wealthiest individuals has been talked about. It is an issue. We do not hear a great deal of discussion about it on the Senate floor today, or this afternoon, or even by the negotiators, and the benefits that will go to the wealthiest individuals.

Also, there is a significant tax increase. We do not hear very much about that. Who is the tax increase on? It is on those workers who are making \$28,000 a year or less. We hear often expressed here on the floor of the Senate by our good Republican friends saying let us get more money and put it in the pockets of the people at home who know better how to spend it than the Federal Government. I do not understand why that argument does not go for working families in this country, those that want to work and provide for their families. They have some EITC, the earned income tax credit, basically trying to help working families who are moving out of the challenges of the economic stagnation which is taking place today to help offset some

of the increases in Social Security and Medicare figures—some \$32 billion to \$34 billion tax increase on those working families. We do not hear very much about that.

That really gets to the heart of the difference. That is, can we have a program—and I believe that we can—that will balance the budget in 7 years, and also meet the fundamental test of fairness.

As the President has pointed out, and any one of us can point out, anyone can reach a balanced budget just by slashing and cutting—cutting Medicare, cutting Social Security. Oh, yes. That is what we are doing in cutting Social Security when we talk about collapsing the COLA for our senior citizens. That is what we are talking about. We are talking about real cuts in Social Security—cutting back on the protection for children, cutting back on the nutrition program, cutting back in immunization programs, cutting back on day care programs for working families that are trying to make ends meet. This is about priorities. I think that the President has stated not just his priorities but the American people's priorities in terms of placing high on that list of priorities the interest of our seniors who receive Medicare.

Let us not forget about the average person that receives Medicare is 73 years old, more likely than not a widow, is receiving about \$10,000 a year of which their health care costs are about 20 percent of that out of pocket, living alone with diabetes or arthritis and probably very cold alone over these past few weeks, when we were trying to find some release and opportunity if they are living in the colder parts of this country because of the drop in temperature and the failure of funding the fuel assistance program. Eighty percent of that fuel assistance goes to families with \$10,000 a year or less in income.

That is who we are talking about. Those are real families. Those are real people. I am worried about the stock market, but, quite frankly, I am worried about the senior citizens. I am worried about the children. I am worried about the young people who want to try to go on and receive an education. I am concerned about that worker, to make sure that work is going to be respected and recognized and rewarded here in the United States. We have done that under Republicans and Democrats in the past.

Yet, we are seeing all of those interests challenged under the proposal basically, what I consider a scorched-Earth policy in terms of the Republican balanced budget amendment. I think all of us welcome the new opportunities and the new advances that the President is making. I was listening to the importance of maybe staying here New Year's Eve. Many of us were meeting all afternoon on Sunday and Saturday as well in trying to find some common ground. That is certainly what the President is interested in. We joined

with him in trying to find that ground, and I think important progress has been made.

But it will be useful to find out, quite frankly, in the various actions that are taken by the majority in this Congress about how they are holding the 250,000 workers, Federal workers hostage to these negotiations. They are innocent bystanders trying to do a good day's work in servicing people in this country and yet they are the ones who are left out and left behind through no fault of their own, many of them with long and distinguished careers and a commitment to public service. They effectively are being told, no, we are going to hold them hostage until they are going to finally yield to our position.

That I think is one that the country does not find to be satisfactory. What they want is action; that is what is needed at this time, but action that is going to preserve the best of our values and priorities. And those priorities are expressed in respecting the elderly people who have made this country the great country it is.

And the principal reason for that is very simple. It is a recognition that when people get on into their golden years, their incomes are going to go down and their health needs are going to go up. It is true today. It was true in 1965 and 1964 when Democratic administrations battled for it. It is true today.

To put those seniors at risk is not in the interest of this Nation, and the budget can be balanced without doing that. We do not have to sacrifice the interests of working families by escalating their tax obligations through increased taxes in the EITC. We do not have to put at risk further the children of this Nation with the cutbacks in support programs for Head Start, the programs that reach out to the schools, that help with math and science. We do not have to cut back for the sons and daughters of working families that want to go on to their universities and schools across this country. We should not kill their hopes and dreams. We know that every dollar that is cut in education will be repaid three or four times with additional kinds of social service. We know that the best investment that this country made was in the cold war GI bill. For every dollar invested in the education of those veterans that came from all parts of the country, men and women alike, was \$8 returned to the Treasury—a pretty sound investment. Nonetheless, the budget of the other side cuts those programs.

All we are saying is, sure, we can reach the common ground, but we also have to reach it in preserving the kind of priorities that the American family holds dear.

We have in the Chamber this evening, I see my friend and colleague, Senator WELLSTONE, who was really the leader in the Senate in making sure that scarce resources were advanced out to

the senior citizens and needy families all over this country. I can say to him and to President Clinton that New Englanders, whether they are in Maine, New Hampshire, Vermont, Massachusetts, throughout New England, so many families tonight know they are going to have a better, warmer Christmas because of the release by the President, letting forth the low-income fuel assistance, which is of such desperate importance.

How tragic it was to be reminded just the other day, once again, in our forums that we have held on some of these cutbacks of the children. The schoolteachers testified a noticeable body-weight reduction in children happens every single year as the temperature decreases. You can almost measure the impact on children in many of the schools in the neediest parts of the country, in rural and urban areas. The weight goes down. The children are not being fed. The choice is being made at home between food on the table and heat for those children.

In the testimony by some of those wonderful teachers in a number of different schools they talked about how at this time of the year, when the cold comes, they are followed up and down the corridors, small children grabbing their hands and asking whether they have something to eat and if that individual teacher has more. They say, can you give us something more because I have a brother or sister home.

That is happening. That is happening. And we went to briefings today in terms of where the nutrition program is going. It is going down, not up. It is going to make the problem more intense, not less.

So for those who have slick, easy, quick answers for these issues, I hope they will think hard and long about these judgments and these decisions.

Finally, Mr. President, as one, like 99 others, who cares deeply about this arrangement, I am troubled by the fact that we are not having really the fair allocation of belt tightening across this country as we will see over the period of the 7 years—\$400 million which is in there today, in the budget in terms of tax expenditures. Others call that corporate welfare. That will go up \$4.4 trillion over the next 7 years—\$4.4 trillion—and the various proposals that are going to be advanced before us are going to index that so that every single tax loophole can be preserved over that period of time.

Sure, we are going to try to find \$30 or \$40 billion, and that is certainly a worthwhile effort, but we are talking about \$4.4 trillion. We are quite prepared to index all those tax revenues, including the billionaire's tax loophole. Those are the billionaires that renounce their citizenship so they can avoid paying taxes.

We voted on that on two different occasions with over 90 Democrats and Republicans. Pull that out of the balance. Pull that out of the budget. The door is hardly closed in that conference when

they put it right back in. You wonder how we are going to do the public's business on some of this. There is no indication that they are prepared to drop that provision, no suggestion that they are prepared to try to do something about Medicare; that they are trying to do something about children; that they are trying to do something about these priorities.

So we understand the complexities and the difficulties that the President has, and he is working through those and doing it with the interests and the needs of the American people in mind. But it is one that bears careful watching and defies an easy and simple solution.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996—CONFERENCE REPORT

The Senate continued with the consideration of the bill.

Mr. KENNEDY. Mr. President, it is with great disappointment that I oppose the conference report on the Defense Authorization Act for fiscal year 1996. There are many good provisions in this bill that deserve the support of the Senate. But they are outweighed by other provisions which, if enacted, would damage American security, waste taxpayers dollars, and treat our servicemen and women unfairly.

I voted against this bill when it passed the Senate in September. We then began a conference with the House that I hoped would produce a better bill. The conference lasted over 3 months, and now it has produced an even worse bill.

One of the most serious defects in the bill is its provisions on ballistic missile defense, which would call upon the United States to violate the ABM Treaty.

A compromise on this issue was painstakingly worked out by Senators WARNER, COHEN, NUNN, and LEVIN, with broad Senate support and the approval of the administration. This was a carefully crafted compromise, and as we began the conference, Secretary Perry made clear that any substantial deviation which violates U.S. commitments under the ABM Treaty would be unacceptable. Yet the conference provision abandons that compromise.

It threatens United States security because it undermines the ABM Treaty, and because it is also likely to prevent Russian implementation of the START I Treaty, and ratification of the START II Treaty.

These treaties would reduce the number of Russian strategic nuclear weapons threatening the United States from 10,000 to 3,500. This reduction would increase U.S. security from nuclear attack to a much greater degree than the illusory security offered by the multi-billion-dollar missile defense system mandated by this legislation.

I am also concerned about several additional issues related to the shipbuilding provisions in the bill. We have examined these provisions in detail in

our Seapower Subcommittee, and I believe they will cause uncertainty, inefficiency, and unnecessary expenditures in the Department's shipbuilding program.

The provisions on the development and procurement of submarines reject a sensible submarine program formulated by the Senate for the next generation new attack submarine. Instead, the bill requires the Navy to submit a new plan for submarine development and construction to build four submarines. Each one, according to the bill, is to be "more capable and more affordable" than its predecessor without further definition.

Our experience on the Seapower Subcommittee makes clear that it is a difficult feat to build a new system that is both more capable and more affordable than the preceding system. This bill calls for a plan to do that four times in 4 years with attack submarines, a very mature technology.

The bill language does not call for the Navy's report to consider the costs and risks associated with such a plan. We gain nothing if we end up with a plan for cheaper and more capable submarines, if they involve risky technologies that fail to work or, even worse, endanger the lives of our submarine personnel by reducing safety standards.

This provision also establishes a new, independent congressional panel on submarine development. On the Senate Armed Services Committee, the Seapower Subcommittee, chaired by Senator COHEN, oversees submarine development. There is no need for another panel, for more bureaucracy, for further review of an issue that is already handled very well by the Armed Services Committee.

In addition, this bill contains language that earmarks contracts for the construction of Aegis destroyers and sealift ships at specified shipyards. These provisions force the Navy to award contracts without the benefit of competition, without the ability to decide the merits of each case at the time of the award.

If there are good reasons, such as industrial base concerns for designating particular ship contracts for particular shipyards, the Navy will come to Congress and tell us what they are. But Congress should not take this action on its own without clear and compelling justification.

Mr. President, also included in this bill is the authorization of \$20 million for Cyclone patrol boats. These craft were not authorized in either the House or the Senate bill. The Special Operations Forces, which use these ships, did not request them either. There is no need for them, and this authorization should not have been included.

Further, the bill prohibits the Defense Department from buying foreign produced roll-on/roll-off ships for the Ready Reserve Force. Meeting the force's requirement of five ships using

upgraded foreign-built hulls will cost a total of \$150 million. The cost of using domestically produced hulls will be between \$1 and \$1.5 billion, well beyond the amount budgeted for this purpose.

Given this massive cost differential, the choice is not merely between buying used, foreign-built ships and new, U.S.-built ships. It is also likely to be a choice between meeting our well-established lift requirements and accepting a continuing strategic sealift shortfall.

I am also concerned about the provision in this bill that relates to the health and well being of our men and women in uniform. One objectionable provision in this bill calls for the mandatory separation of service members found to be HIV-positive. This provision is an especially flagrant example of discrimination against a group of loyal service members.

The Defense Department has made clear its opposition to this requirement. It has repeatedly expressed support for its current policy, which allows service members with any disease or disability to continue to serve as long as they can fulfill their duties and pose no danger to themselves or their fellow service work members. The military has full authority to separate or retire individuals who are unfit for duty.

Individuals with other debilitating diseases, such as hepatitis, cancer, diabetes, asthma, or acute heart disease, are not automatically discharged from the service. This bill singles out only those who are HIV-positive, and there is no justification for that discrimination.

We raised this issue with the Senate conferees and asked for a vote on whether to insist on the Senate position opposing this provision but we were denied that opportunity to do so on this and many other issues.

This bill is supposed to address the defense needs of the United States. Discharging qualified service men and women from our Armed Forces simply because they are HIV-positive serves no national defense need. The Defense Department has certified this point. This blatantly discriminatory provision has no place in this bill.

The conference report also includes a provision that prohibits service women based overseas from obtaining abortions with their own private funds in U.S. military medical facilities. We have always provided this access to our service women to ensure that they have the same quality health care available to those on duty in the United States.

This prohibition discriminates against women serving their country by preventing them from exercising their constitutionally protected right to choose when they are stationed overseas. This added restriction endangers their health, since alternative local facilities in other nations are often inadequate or unavailable.

Under the bill's provision, a woman stationed overseas facing an unin-

tended pregnancy may be forced to delay the procedure for several weeks, until she can travel to a location where adequate care is available. For each month an abortion is delayed, the risk to health increases.

As we continue to struggle over balancing the budget and meeting important national priorities, this bill provides \$7 billion more for defense spending than requested by the administration for the current fiscal year.

At a time when families are going without heat in the winter because of cuts in the LIHEAP program, when aid to education is being cut, when Medicaid and Medicare are being cut in order to provide a tax break for wealthy Americans, it makes no sense to force billions of dollars more on the Pentagon than it wants or needs.

It is a bad bill. I urge the Senate to defeat it, send it back to conference, and ask the conferees to remedy these numerous and serious defects.

Mr. President, I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that I be allowed to speak for 10 minutes as in morning business.

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

Mr. WELLSTONE. Thank you, Mr. President. I shall only speak for 10 minutes.

THE BUDGET AND ENERGY ASSISTANCE FOR THE POOR AND ELDERLY

Mr. WELLSTONE. I wanted to respond to some of my colleagues that had spoken earlier, and I will try to do this in a very substantive way. When colleagues speak and then they have to leave because they have other engagements, I think what you need to do is respond but in a very civil way, because you do not really have an opportunity for the debate when we are not all on the floor at the same time.

Let me first of all thank Senator KENNEDY from Massachusetts for his kind remarks about the Low-Income Home Energy Assistance Program. I would like to thank the administration as well for releasing these funds on Sunday.

Many people called from Minnesota today. Mr. President, this is a good example of a program that really affects people's lives. It is not a lot of money nationwide for the whole country. It is about \$1 billion. And for Minnesota—it is a cold weather State, I say to my colleague who is presiding from North Carolina, a little colder than North Carolina right now, though I think the Presiding Officer has some pretty chilly weather.

The problem is that for all too many people in my State, elderly, families with children, there were people who just could not afford the heat. And

they have relied upon this small grant, which really was more of a survival supplement than an income supplement. It is called a cold weather lifeline program. We had situations that were being reported by the newspapers and by television, and I met with some of the families where people were trying to heat their homes by turning on their oven or people were just living in one room. It is very cold. It is about 8 degrees above zero, actually warmer today, but had been around 8 degrees above zero last weekend. Two weekends ago it was a 50-below wind chill.

So it is extremely important to get some assistance out to people. We do not want people to go cold in America. None of us does. I thank the President for releasing that money. It makes a huge difference.

Mr. President, my disagreement—and I think it is a profound disagreement—with some of my colleagues about where we are at this moment in Washington is two or threefold. First of all, the Government shutdown, I do not think it is necessary. I think it is quite independent of what decisions we make about what kind of a budget we have over the next 7 years and how we balance that budget. I mean these are big decisions. They are choices we make.

We have some real sharp differences among us. I think we should continue to negotiate. I hope we can reach agreement. But I do not think the Government should be shut down. I think that is just sort of exerting leverage at its worst, and I think a lot of innocent people are being asked to pay the price. It is inappropriate, and I hope that no later than tomorrow we will go forward with a continuing resolution and we will continue to go forward with the negotiations on how it is you balance the budget.

My second point is priorities. Talking about the energy assistance program, on the House side for the future it has been eliminated. This is the other debate. The total cost of this program to make sure people do not go cold in America is less than one B-2 bomber. The Pentagon is telling us they do not need all the B-2 bombers that have been funded over the next number of years in the Pentagon budget.

So, Mr. President, I really believe that the debate is about balancing the budget, not so much whether we should or not. I think that all of us—and there is plenty of blame to pass around if you look at how this massive debt was built up. We are not even paying the debt off, we are trying to pay the interest off on the debt. That is what we are really talking about when we talk about balancing the budget. But the real question is how do we do it and whether or not it is based upon what I would call a Minnesota standard of fairness.

Mr. President, I have to tell you, I would agree with the commentator Kevin Phillips, who two mornings ago essentially said, as I remember, that he

thought that this balanced budget proposal on the part of my colleagues on the other side of the aisle actually was not a serious effort to balance the budget. It was more about tax cuts or tax giveaways for wealthy people in the main and, in addition, eviscerating, ending safety net programs in this country for the most vulnerable citizens and very good for the bondholders.

I think he is right. The reason I think Kevin Phillips is right—and I paraphrased his analysis, it is not a direct quote—is because there are all sorts of ways in which we can balance the budget, but it is interesting how much has been taken off the table. I say to people in the country who might be listening to this debate right now that when my colleagues talk about balancing the budget, one piece they leave out is the whole Pentagon budget.

Here we are in a post-cold-war period, there is no longer a Soviet Union, and we are talking about \$245 billion plus for the Pentagon budget—star wars, Stealth bomber, Trident submarine, lots of money spent on military forces to protect many countries in Western Europe and in Asia.

I think that can be changed and scaled down with no threat to our national security, and it should be. As a matter of fact, the real national security of our country is not more Stealth bombers, more star wars; the real national security is jobs and adequate housing and affordable child care and decent transportation for people who live in our communities. The national security of the United States of America is the security of our local communities where people do not have to worry so much about the violence and the crime, where they have some confidence their children are going to good schools, where they can believe their children will do well economically, where they have decent jobs at decent wages, where they can look forward to a pension and, yes, where they do not have to worry about health care costs as they become elderly. That is the real national security.

There is all this money on bombers and missiles and all of the rest, no reductions in the Pentagon budget, at the same time you have these deep reductions in nutrition programs for children, for God's sake. I think the Democrats are doing too much in that area, but it is a huge difference from what I see the Republicans are doing in cuts in education and cuts in health care, whether they be Medicare or whether they be medical assistance or whether they be environmental protection.

People in our country, I think, want to see us fiscally responsible. They want to see us get serious about getting our economic act together. But there is a sense of fairness that people have in the country, and that is what is so wrong with this budget proposal that we have had before us, and that is why the President of the United States

is doing exactly what he should do and which the vast majority of people want him to do. I think he commands a tremendous amount of respect for this, because what he is saying is, "There are ways to balance the budget and there are ways to balance the budget, and I am interested in doing that, and I make a commitment to doing that, but I'm not going to do it if it means hurting children; I am not going to do it if it means taking away the quality of health care for elderly people; I'm not going to do it if it means we are moving away from a commitment we made as a national community to make sure there is care for the elderly or disabled or those people in nursing homes; I am not moving away from protection of the environment; and I am not moving away from the earned income tax credit which has been so important in encouraging families with incomes under \$28,000 a year to work and provides people with incentives to work."

He is on the mark.

I just say to the Chair, and I say to my colleagues, if you want to balance the budget, you have to do it based on some standard of fairness. You cannot target so many of the cuts at working families, middle-income people, low-income people and, at the same time, have so many of these multinational corporations and the most wealthy citizens and the military contractors all essentially not asked to tighten their belts. It makes no sense by any standard of fairness, which I think the vast majority of people in this country are committed to. That is what this debate is all about.

Mr. President, I could go on and on. I will not. I just simply wanted to, as long as we are having some discussion tonight on the floor of the Senate, inject a somewhat different perspective than the ones I heard from some of my friends on the other side of the aisle. I guess if I had a Hanukkah wish, being an American Jew and Hanukkah started last night, if I had a Hanukkah wish, much less Christmas wish, it would be that we tomorrow reach an agreement that there will be a continuing resolution, the Government will not be shut down. We should not have people who are really worried about being able to make a living not being able to work.

We, of course, are involved in negotiations in good faith. We are not going to resolve these major questions in the next 3 days, but we will resolve these questions, hopefully, over the next month. I think we have to be involved in serious negotiations, substantive negotiations and good-faith negotiations, and if the differences are irreconcilable, then I suppose those differences and what people think about the position we take, as opposed to my colleagues on the other side of the aisle, the differences between President Clinton and Speaker NEWT GINGRICH will be resolved in the election.

But I do not think we should continue to hold a lot of people hostage. I do not think we should continue to

make a lot of innocent people pay the price.

So my hope is that tomorrow there is no more Government shutdown; that tomorrow we look forward to substantive negotiations in good faith, honest debate, not hate, with civility, trying to reach an agreement. These are big decisions we are going to make that are going to affect our country going into the next century. We ought to do it thoughtfully, carefully, and if we can reach an agreement in January, great, and if we cannot reach an agreement, then maybe, in fact, the differences are irreconcilable. Then the people of the country can make the decision. That is the way it is supposed to be in a democracy.

Happy Hanukkah, Merry Christmas. I hope we soon get home to be with our loved ones. I yield the floor.

Mr. REID. Mr. President, I see on the floor the esteemed senior Senator from Rhode Island. I will be happy to yield to my senior colleague if he wishes to speak. I am going to take 15 or 20 minutes.

Mr. PELL. I thank my friend very much.

The PRESIDING OFFICER. The Senator from Rhode Island.

THE BUDGET IMPASSE

Mr. PELL. Mr. President, I do not believe there is justification for the partial shutdown of the Federal Government. It is really occurring only because of a widely perceived and grossly exaggerated assumption that the long-term Federal budget must be concluded in the same timeframe as the annual appropriations bills.

There is no real basis for a linkage between the two beyond the budget for the current fiscal year. The fact that there is an assumption of linkage beyond that point is, at best, an artful strategy or, at worst, a hoax on the public and on our democratic Government. Appropriations and reconciliation are two completely different processes.

On the one hand, it is notable that significant agreement already has been reached on a great many major reductions in Government expenditures in the 13 major appropriations bills that have been or are being processed. But they are all badly behind schedule, through no fault of our President, and six of them are heavily burdened by extraneous provisions dealing with matters like striker replacement and the abortion issue—matters that should be addressed in separate legislation on their own merits. And now the passage of interim spending authority has been arbitrarily made a condition of budget reconciliation.

But the reconciliation process is an entirely separate matter. Unlike the appropriations process, the failure of which leads to a cutoff of current funding, the reconciliation process is not driven by immediate need. Absent passage of a reconciliation bill, current

law stands. The Government continues to operate at existing levels until reasonable agreement can be reached about changed priorities and a new level of commitment.

That the two processes were declared to be compressed into the same timeframe is simply a transparent device to force acceptance of policy choices that are not in accord with the priorities of the American people or the President.

The second continuing resolution passed in November tightened the time frame by specifying that a 7-year balanced budget plan should be enacted in the first session of this Congress, which presumably ends January 2. But the remaining period of 2 weeks includes the traditional holiday season and it seems to me that any comprehensive solution forced this week would inevitably be flawed by haste.

Mr. President, the time for budgetary hostage-taking is over. The country will not stand for it and both parties put themselves at risk of public rejection because of what appears to be petty and small-minded squabbling.

As I see it, the solution must come in two separate steps:

First, the appropriations process must be concluded without any further delay. All remaining bills should be sent to the President forthwith in whatever form a majority can approve. Vetoed bills should be returned promptly so that revised versions can be enacted. A realistic continuing resolution should be passed providing funding authority at least until January 12 to allow for the process of revising and repassing vetoed legislation.

Second, separately, the terms of the second continuing resolution must be modified to provide for an expanded time frame for reconciliation extending into the second session. The President is entitled to adequate opportunity to secure the best budget he can obtain that will reflect his highest priorities, while still honoring those of the congressional majority. As a practical matter, it will be necessary to reach closure on at least the first stages of a long range budget by the statutory date for presentation of the fiscal year 1997 budget by the first Monday in February.

Mr. President, I offer these views from a vantage point of some detachment. I have not endorsed the idea of a balanced budget and I do not subscribe to the mantra that it should be achieved in the arbitrary timeframe of 7 years.

I do believe we should curb deficit spending, and that includes borrowing to pay for a tax cut. And I do not believe the agenda of the United States should be set by a willful subgroup of the House majority.

Clearly, we all are going to have to give ground. We in the minority, for example, must acknowledge more candidly the need for constraints on the Federal medical programs. The majority must relent their drive to curtail great advances we have made in social

legislation, particularly education. And both sides, I believe, must acknowledge the patent futility of cutting taxes at the very time we seek to curtail deficits.

Tax cuts must be deferred for the present, even if it means a delay in more favorable treatment for capital gains, and I support more favorable treatment for capital gains.

I think the image that the country has of us is that of children squabbling. I hope the sooner we can get down to business and reach a compromise, the better off we are. Plus the Government only moves when there is compromise. And in this case we are denying it the opportunity to work.

Mr. President, I yield the floor.

Mr. REID addressed the Chair.

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

THE BUDGET IMPASSE

Mr. REID. Mr. President, I was asked by our floor leader, Senator DORGAN, to come to the floor and offer my views on what is going on with the impasse now facing us.

First, I think it is important to recognize how well the country is doing. We tend to hear so much negativism about our country. The fact of the matter is that our country is doing remarkably well economically. Why do I say that? We have had the lowest inflation and unemployment in some 40 years. Mr. President, we have had corporate profits that have never been higher. They have sometimes been as high, but never higher. We have economic growth that is as good as it has been since the days of John Kennedy. The stock market has been going up significantly. There have been some people crying out that it went down today. Well, there have been adjustments coming. Any stock forecaster would tell you that there would be adjustments. It happens toward the end of the year every year. With this remarkable climb we have had in the stock market, it is not unexpected.

I also say, Mr. President, that we have heard a lot in years gone by about Government being too big. I think those of us in this Chamber would acknowledge that Government has gotten too big. But what has happened in the last 2½ years? We have 175,000 fewer Federal employees today than we had 2½ years ago, excluding the military. I think that is pretty good. I think it speaks well of what has happened in this Government and in this country in the last several years. Now, we have not done enough, but let us talk about the good things that are happening in the country.

This economy is on fire. It is doing great. What about the so-called CR, the continuing resolution? It is something the American public hears all the time. Why are we talking about a CR, a continuing resolution? We are talking about a continuing resolution because, each year, by the first of October, we

have 13 appropriations bills we are supposed to pass. It takes 13 appropriations bills to allow our Government to function during the year. We have a yearly appropriation for those 13 different subcommittees. Well, this year, we did not do our work. I say, respectfully, that it is the Republican leadership in the House and the Senate that has not allowed the bills to pass.

The last time we had a Government shutdown, 26 days ago, 850,000 people were out of work. We were able to pass, since then, a number of bills, especially the Defense appropriations bill. As a result of that, we have approximately 500,000 fewer employees that are subject to being furloughed now than we did then. I wish the 250,000 did not have to be, and they should not be. But it is the result of the appropriations bills not passing. It has nothing to do with a balanced budget. It has nothing to do with increased taxes or lower taxes. It has to do with the fact that this body and the other body—the House and the Senate—have not done their work. We are at this budget impasse now as a result of the appropriations bills not having been passed.

Much of the rhetoric, Mr. President, has focused on who gets what and why do they get it? I think we need to look at what Kevin Phillips said, who is a Republican political analyst. He said a number of things, but about 6 weeks ago, he said this, and it was at the time this budget fiasco was very heated:

Spending on Government programs, from Medicare and education to home heating oil assistance, is to be reduced in ways that principally burden the poor and the middle class, while simultaneously taxes are to be cut in ways that predominantly benefit the top one or two percent of Americans.

This is not something that some wild-eyed liberal Democrat said. This is not something any Democrat said. This is a Republican, who is noted in Washington for being hard on Democrats when necessary, and hard on Republicans when he feels it is appropriate. With this budget battle that is going on, he feels it is appropriate to lay the cards out where they exist. Who benefits from the budget proposal the Republicans have given us? The top 1 or 2 percent of Americans. Who is burdened? The middle class and the poor.

Much of the rhetoric, as I have indicated in the debate over the budget, has focused on numbers: OMB versus CBO. What I would like to talk tonight about is not Medicaid, even though there is certainly room to talk about that. I am not going to talk about education and how my senior colleague, who just left the room, has done as much as any person who ever served in the Legislature on a national basis to direct attention to education, or how the programs the Republican leadership have given us affects education negatively. I am not going to talk about that at any length tonight. I am going to talk, Mr. President, about Medicare and how important Medicare is.

The budget we have been given from the Republican leadership says they want to cut \$270 billion. That is the bill the President vetoed—\$270 billion in Medicare cuts. I think it is interesting to note—and I do not think it is coincidental—that we have \$270 billion in Medicare cuts and \$245 billion approximately in tax cuts. Who do those tax cuts benefit? The top 1 or 2 percent of Americans. We need to eliminate the deficit. There is no question about that. We need to eliminate the deficits and, I think, do something about the debt, the \$5 trillion that has accumulated. I do not think we can rest on our laurels, that there has been general agreement to balance the budget in 7 years because, by then, we will have another \$1.5 trillion in debt that we are going to have to pass on to my grandchildren and their children. I hope, Mr. President, that we will be concerned about not the deficit—as we should be—but how about being concerned about the debt, the \$5 trillion that we owe?

It is easy to debate these numbers, the deficit, which we continually talk about, and ignore the debt. I would rather, instead of having \$245 billion in tax cuts, which help the top 1 or 2 percent of Americans, we take that money and apply it toward the debt, the accumulated \$5 trillion. That would make a significant dent in the debt—\$245 billion.

What is often missing from the debate when we talk about all these numbers, Mr. President, is the policy argument. What are the policy ramifications of what each side is attempting to do? Will the decisions we reach today affect all Americans tomorrow? If so, in what way will these decisions be felt by the American public? It is this often unspoken question we fail to communicate in our efforts to assemble a balanced budget plan.

Both sides are in agreement about achieving a balanced budget. You cannot debate that now. There are very few who say we should not have a balanced budget. The vast majority of Democrats and Republicans agree on a balanced budget. They have agreed on a time certain—a date. Great strides have been made in that regard.

The budget debate really centers on the priorities that matter in getting the budget to a balance. Again, Mr. President, I was unable to put this on a chart, but Kevin Phillips, on public radio, on the 14th said:

The Republicans in Congress are back with a foolproof guaranteed deficit elimination scheme in which the deficit will shrink from roughly \$200 billion in 1996 to nothing, zero, in 2002. The other zero in this equation, I am sorry to say, is the IQ of anybody who believes it. Since the Republicans started producing deficit elimination charts in the early 1980's, their three real goals have been very different. The first has been to cut taxes for the constituencies and avoid new taxes; the second has been to shrink the role of government and the safety net; and the third has been to help the stock and bond markets.

These parts, at least, have worked. The tax rates have come down. The rich have gotten richer and the Dow Jones Industrial Average jumped from under 1,000 to over 5,000. Deficit reduction isn't the real goal. Most of the time it has been a slogan for one of the biggest economic con games of the late 20th century United States.

I repeat, "Deficit reduction isn't the real goal. Most of the time it has been a slogan for one of the biggest economic con games of the late 20th century United States."

So we will talk a little bit about policy here tonight. We will talk about how we need to be concerned about Medicare. I can defend Medicare. The first elected job I had was to represent the then largest hospital board in Nevada, Clark County, where Las Vegas is located.

During the time I served on the hospital board, Medicare came into being. The first period of time I served on the hospital board, when somebody came to that county institution and they were brought by their son or their daughter or their husband or their wife or a neighbor, they had to sign that they would be responsible for that hospital and doctor bill. When you brought your mother or your father or your husband or your wife to that hospital and you did not pay, we had a collection department that went out after you and sued you. You brought your sick mother or father or husband or wife to that hospital, you paid.

Prior to 1960, less than 40 percent of the American public, of senior citizens, had any kind of health insurance. Now, 99 percent of senior citizens have health insurance. We made great strides during that period of time.

I feel the program called Medicare should be defended. I know it has some warts on it that we need to have a cosmetologist take care of. I am willing to do that. I know thousands and thousands of Nevadans who rely almost exclusively on this program as a means of living.

Mr. President, 30 years ago when I served on the hospital board and I had just left back here—I worked as a Capitol policeman, went to law school back here—when I left here, almost as soon as I left, Congress passed Medicare. The Democrats passed it. The Republicans, Mr. President, opposed it. They opposed its creation 30 years ago.

The idea was simple: Create a program for senior citizens to have quality medical care while ensuring that seniors have financial stability through their retiring years. Very simple idea, not very complex. We needed a program that would allow seniors to have good medical care. It sought to avoid the situation where if you brought in somebody and they could not pay then, you sued them. That is not appropriate.

Yet the fervor with which this simple idea was opposed by certain people was significant, some say unprecedented. It is because of the majority party's historic opposition to Medicare that many in this country today are skeptical of

their efforts now to say, "We want to reform the program." If I have heard it once I heard it a hundred times, my friends on the other side of the aisle saying, "We are not cutting Medicare; we are only cutting the rate of growth of Medicare."

What they fail to acknowledge is that we have an aging population. Significant numbers of new people come on Medicare every day, and in addition to having an aging population we have rapidly increased health care costs.

Now, we have a health care crisis in this country today. No question about it. We had it last year. We tried to do something about it last year. We were stopped from doing it principally by the health insurance industry, but we were stopped from doing it.

Now we have people saying we have a health care crisis. I acknowledge that. Remember last year when we talked about managed care and people walked in here from the other side of the aisle saying managed care takes away choice. Well, I think some of the suggestions from my friends on the other side of the aisle about doing managed care with Medicare is a good idea. It was a good idea last year and is a good idea this year. I think we cannot have the sole burden of reducing health care costs on the backs of senior citizens.

I ask rhetorically to my friends on the other side, if you were so opposed to Medicare then, why should the American public believe you are interested in saving it now? If you look at some of the rhetoric, it makes a person wonder. Just last October—that is just a few weeks ago—the Speaker of the House of Representatives, NEWT GINGRICH, was quoted as saying:

Now let me talk about Medicare. We don't get rid of it in round one because we don't think that would be politically smart and we don't think that's the right way to go through a transition, but we believe it's going to wither on the vine because we think people will leave it voluntarily.

The 24th day of October, 1995, is when he said that.

Now, I ask my peers, who is not bargaining in good faith? People who think that Medicare is going to wither on the vine?

I think Medicare is worth defending. I think it should be worth defending for lots of people, because it works. Look at the differences between 1964 and 1965 and now and you will reach the same conclusion. In 1995, it is taken as a given that elderly are more financially secure. They live longer and enjoy greater access to health care in their golden years. This is not because of tax breaks they earned during their lifetimes or because of market forces. Rather, it is attributable to the successful programs such as Medicare that we have passed in this and the other body. Since its inception about 30 years ago, Medicare has extended the life expectancy of senior citizens and improved their quality of life.

Remember, all we want to do with Medicare is allow senior citizens to

have health care available to them, but quality health care and at a cost that would not devastate them. Since its inception Medicare has both extended the life expectancies of seniors and improved their quality of life. I will debate that with anyone, any time.

What about the specifics? Because of Medicare, and Medicare principally, we have made significant advances on cataract removal. We can all remember years ago when someone had cataract surgery, they were hospitalized. It was serious surgery. Now they do it in outpatient. Why? Because of Medicare. They have done so many cataract surgeries now they have it down to a very specific science, and they do it quickly. They do it with implants and all kinds of things that would not have been thought of 10 or 20 years ago. Joint replacement, cardiac bypass, heart surgery, these are some of the advances made principally because of Medicare. Because of the funding of Medicare, seniors do not have to break the bank to pay for these procedures.

In 1965, 28½ percent of senior citizens lived below the poverty line. In 1995, just less than half that, 12.9 percent live below the poverty line.

We must in this country be doing something right. Why do we have all the doomsayers, all the people talking about how bad we are? The economy is doing well. Seniors are not as much in poverty as they used to be. Does this mean that Medicare is untouchable? Of course, not. We need to address the problems in a responsible manner. But let us address them keeping in mind this truth. This Federal initiative—Medicare was a Federal initiative—is accomplishing the simple goal it was designed to achieve, improving the lives of old people in America, of senior citizens in America.

It is true that Medicare costs more today than it did in 1965. But it is true of all health insurance. Mr. President, maybe we in this world of political correctness develop terms of art that do not focus on the problem. My grandmother lived alone. Her husband died, my grandfather who I never knew. But I knew my grandmother. She was so proud of the fact that she got an old age pension check every month—that is what she called it, "old age pension check"—because it gave her dignity and independence.

That is why seniors are better off than they used to be—because they have the ability to be independent and have dignity through Medicare, through the Social Security check that my grandmother referred to as an "old age pension check." Those kinds of things have made it better for people who are in their golden years in America today.

Medicare costs more today than it did in 1965. I repeat that is true of all health insurance. Increasing knowledge of diseases and causes, and the technological advances have transformed the care that all insurers provide. Health care today is much more effective and,

of course, more expensive. I acknowledge that. Health care today is a very technical procedure that affects all Americans. I remind everyone that privatization is something we need to look to. But Medicare costs have not increased as much as health care costs in the private sector.

So those that push privatization—which we all do—should understand that Medicare costs are behind the costs of medicine in the private sector.

I do not see how you can say that taking an arbitrary figure like \$270 billion is going to protect the Medicare from bankruptcy.

I have also heard so many times that trustees say if we do not put some more money into Medicare it is going to go broke. Twenty-five out of 27 years Medicare has been in existence they have said the same thing. Medicare is a program that has been a pay-as-you-go program. Of course, the trustees have acknowledged the fact that we have to figure out better ways to fund and figure out ways to cut expenses in Medicare. But to have the statement made on and on and continually and over and over that the trustees say it is going to go broke as if it is some new revelation—they have been saying this from the very beginning, and what do we do? We fix it every time as we will this time.

We also hear a lot, Mr. President, that \$270 billion is going to protect it. It is not. That is an arbitrary figure, in my opinion made only to take care of the tax breaks for the 1 or 2 percent of Americans who will get most of the benefit. About two-thirds of the projected savings would come from reduced payments to hospitals, nursing homes, and physicians without any basic change in the system responsible for rising costs.

That does not sound to me that we are reforming Medicare and strengthening Medicare. This does not sound like reform. It sounds like, if anything, that it would improve the delivery of health care for the elderly; that is, cut payments to hospitals, nursing homes, and physicians without any basic change in the system. Indeed, the policy ramifications of this proposal might well undermine the quality of services, threaten the economic stability of providers, and reduce the availability of services.

Another 20 to 25 percent of the proposed savings to the Government from the program which the President vetoed would come from increased payments by beneficiaries. Having beneficiaries pay more can hardly be called a strengthening of Medicare. This is particularly true since average out-of-pocket costs for beneficiaries have been steadily rising, and would grow even more with this plan. It is important to read beyond the rhetoric, over the numbers, and beyond the smoke and mirrors. The proposal that was vetoed by the President had real life consequences for lots of people.

So, Mr. President, when we hear a lot of rhetoric about returning to the good

old days, I am not sure senior citizens want a return to the good old days. I think they are happier with Medicare, and with a Social Security check coming in on a monthly basis. Remember: The Social Security checks they get are not welfare. That is money that is paid into a fund by employers and employees.

So I suggest that we have experienced a lot of good since the creation of some of these programs, and since they were initially debated. By most measures, the United States in 1995 is a dramatically better place to live than it was in 1965 if you are a senior citizen.

Of course, we have to do something about the crime that ravages senior citizens—violent crime, crimes involving telemarketing, and other things like that. We have to do a better job there. But as far as economic safety, security, 1995 for senior citizens is much better than 1965. The economy is more than twice as large in terms of real dollar. Poverty has declined in the senior population despite a larger population.

There are other good things that have happened. Twenty-five years ago the Cuyahoga River caught fire. A river in Ohio started burning. It was then determined that maybe we should do something about cleaning up our rivers and streams. The Clean Water Act was passed 25 years ago. What do we have now? We have greatly improved water. At the time the Cuyahoga River caught fire about 80 percent of the rivers and streams in this country were polluted. Now those figures have almost reversed. We do not have 80 percent of our rivers and streams polluted now. We have a little over 20 percent. We have made dramatic strides in clean water.

Clean air—even though we have millions of more cars on the road today than we had 25 years ago, because of the Clean Air Act our air is cleaner than it was 25 years ago. Scientific advances have allowed us to do that. Most people are healthier, living longer, and most jobs are less dangerous. Most discrimination has ended, especially formal discrimination. Education levels are at an all-time high even though our education system needs a lot more work done on it. I acknowledge that. But, Mr. President, out of the 141 top universities in the world, the United States has 129 out of 141. Our higher education is not touched by any other country. We need a lot of work with our elementary and secondary schools. Of course, we do. That is why we need to be putting more money in instead of less.

Personal freedom has been improved in modern-day America more than it was in the past. In fact, personal freedom has never been greater than it is today. Once reserved for the very rich, air travel have become commonplace.

I believe we are overlooking the reasons why the final decision of balancing the budget has to be thought

out and thought out well. There are programs and laws that improve lives, and they are worthy of defending as a matter of principle. It is not just about policy and numbers. It is about people. That is what this debate is about. The decisions we reach in the next few days, the next few weeks, and the next few months will have lasting consequence on all of us.

I close by referring to a Republican who said, "Spending on government programs, from Medicare and education, to home heating oil assistance, is to be reduced in ways that is principally a burden to the poor and the middle class—"talking about the bill the President vetoed"—while simultaneously taxes are to be cut in ways that predominantly benefit the top one or two percent of Americans."

So I say to those within the sound of my voice, the debate, Mr. President, is a debate on the difference between right and wrong. We feel we are on the right side of the issue and that we have to stand up for principle.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mrs. HUTCHISON). Without objection, it is so ordered.

MORNING BUSINESS

Mr. MACK. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak therein for up to 5 minutes each.

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

TRIBUTE TO RETIRING SENATOR NANCY LANDON KASSEBAUM

Mr. DODD. Madam President, expectations and reality are rarely one and the same. So when our colleague from the State of Kansas, Senator KASSEBAUM, says she never expected to be here in the U.S. Senate, it is not surprising that this is where she ended up. But very true to all expectations, Madam President, Senator KASSEBAUM has distinguished herself as one of this institution's best and brightest. So it is with reluctance that I rise to bid farewell to my dear friend and respected colleague.

Senator KASSEBAUM has graced the Halls of the U.S. Senate every single day of the almost 18 years she has spent here. Never partisan and always fair, her leadership of the Committee on Labor and Human Resources is exemplary, and it is a joy to serve with her on that body as well as on the Committee on Foreign Relations. Indeed, she has helped to keep the Senate's spirit of civility alive.

A leader, independent thinker, and mediator, Senator KASSEBAUM's record of accomplishment is lengthy and impressive. Aside from being the first female chair of a major committee in 40 years, she has managed to write a health insurance reform bill that has drawn Labor and Human Resources Committee consensus around this difficult and often controversial issue. She has been indispensable in reauthorizing the Ryan White Care Act, a program of great importance to the State of Connecticut, and has been a valuable supporter of the Head Start Program.

But Senator KASSEBAUM's accomplishments have improved the lives of those well beyond United States shores. As a member of the Committee on Foreign Relations, she was invaluable in facilitating Central American peace initiatives and in finding political solutions to the conflict in El Salvador. And as chairwoman of the Subcommittee on African Affairs, she fought to bring an end to South African apartheid by supporting sanctions against that nation; she then facilitated their repeal upon the election of President Nelson Mandela.

And at home in Kansas, Madam President, Senator KASSEBAUM's constituents love her just as much as her Senate colleagues. Her overwhelming support at the polls—76 percent in 1984, and 74 percent in 1990—reflects Kansans' deep appreciation of her commitment to them. She has never wavered from the value her father instilled in her: that her roots were always in Kansas.

Madam President, both Senator KASSEBAUM and I are the children of public servants whose interest in politics and government service was nourished throughout our childhoods. To walk alongside Senator KASSEBAUM as both of us follow in our fathers' footsteps has fostered a special bond between us. We have served together on two committees, and have worked as trusted partners on many important issues. And I realize how fulfilling it must be for her, as she leaves this body, to know that she has made her father proud.

Senator KASSEBAUM is a noble servant of Kansans and all Americans, a cherished friend, and a beloved colleague whom I greatly admire. I will be sorry to see her leave the Senate, but I am confident that her spirit will endure. I wish her the very best as she approaches her retirement, and look forward to serving this last year with her.

TRIBUTE TO A MAN OF GREAT CONSCIENCE, RETIRING SENATOR MARK HATFIELD

Mr. DODD. Madam President, Senator HATFIELD's recent announcement that he would be leaving the U.S. Senate left me disappointed, for his departure from this body will mean the loss of yet another of the Senate's most honorable Members. For five terms,

Senator HATFIELD has elevated the caliber of this Chamber's debate, frequently taking lonely stands in the process.

Voting one's conscience often requires courage. Senator HATFIELD has never wavered in his devotion to what he believes is just, and he has always done right by the good people of Oregon.

Madam President, no one in this body has been a greater crusader for peace than MARK HATFIELD. A devout pacifist since the beginning of his political career, Senator HATFIELD opposed President Johnson's Vietnam policy, and more than 20 years later was one of only two Republicans to vote against United States military involvement in the Persian Gulf. He opposes nuclear testing and an extensive military buildup, and authored the 1992 nuclear test ban law that is now regarded as an important standard for U.S. conduct on nuclear issues.

More recently, Senator HATFIELD was the sole Republican to vote against the balanced budget amendment, and he would have paid dearly for that stand had the concept of respect for one's conscience not prevailed.

Senator HATFIELD's constituents respect his principles just as much as his colleagues, which is perhaps why Governor Kitzhaber said Senator HATFIELD has achieved "what may be the single greatest public career in Oregon's history." Senator HATFIELD has never lost an election. Oregonians have continually returned their Senator to office not only because of his righteousness, but also because of his commitment to them and their values. As chairman of the Appropriations Committee, Senator HATFIELD has seen to it that Oregon's pristine parks and clean coastlines have the means to stay that way, while other public projects such as hospitals, research centers, and roads help to ensure health of the State's citizens and the vibrancy of the State's economy. And as one of this body's true moderates, Senator HATFIELD has also supported gun control and motor-voter initiatives, while opposing President Reagan's unwise tax cuts.

Madam President, Senator HATFIELD is an outstanding Member of this body whose sincerity and strength of character should be emulated by all Americans. Widely respected for his independence and well-liked for his loyal friendship, Senator HATFIELD will be sorely missed. I wish him all the best in his retirement.

HONORING AN ESTEEMED COLLEAGUE

Mr. DODD. Madam President, amidst a very busy, occasionally frantic session, as we struggle for sometimes small, perhaps fleeting victories, it is important that we not ignore those losses that are permanent and personal. A close friend and a fine legislator announced last month that he will be leaving us at the end of this

Congress, and I would like to take this opportunity to pay him part of the tribute that he deserves.

Madam President, I know something about following in the footsteps of one's own father in this Chamber. The U.S. Congress held not only a set of expectations for Senator Simpson, but also a legacy. It was a legacy that came not just from former Senator Milward Simpson, but from a long lineage of Simpsons dating back to the 19th century. Senator SIMPSON's ancestors were among the pioneers of the State of Wyoming, and were part of the effort that turned a beautiful stretch of American frontier into a great American State. This spirit—one of perseverance, integrity, and hard work—was the legacy that was left to Senator SIMPSON. It was a legacy that he embraced and nurtured, while simultaneously carving for himself an identity and a presence in the Senate all his own.

It is easy to stand up here and honor a colleague by listing a litany of legislative achievements. It is much harder to try to pay tribute by attempting to evoke the humor and the wit that were the hallmark of Senator SIMPSON's career. I am afraid I am not up to the task, Madam President. But those who know the Senator remember the humor that he brought to a too often humorless place. Indeed, many of us were the victims of his good-natured joshing on numerous occasions. He was disarming with his charm, and his quick wit won him many small battles, while averting many larger ones. Suffice it to say, on the subject of Senator SIMPSON's humor, that many of us, before we came to Washington and encountered the acerbic tongue of the 6'7" Senator from Wyoming, had no idea what or where a gazoo was.

It must have been that pioneering spirit that made Senator SIMPSON gravitate toward some of the toughest legislative assignments in this body. He quickly took on one of our Nation's thorniest policy areas, immigration reform, and, through dogged perseverance, determination, and a keen sense of when and how to compromise, he pushed through the legislation that has become the foundation of our Nation's immigration policy ever since.

The bill that eventually passed was a tribute to our policymaking process here in Congress. It marked a strengthening of U.S. immigration policy, but also showed sensitivity to the serious concerns of some very thoughtful people. It tempered a toughening of border patrols with amnesty for illegal aliens who arrived in this country through the early 1980's. It balanced sanctions against employers who hired illegal aliens with provisions to protect legal aliens and citizens from unfair discrimination. It took him 6 years to do it, and I know that it was at times a frustrating march. It was an effort that other legislators might have given up, and left to another leader, or another time. But he persisted, and the bill

that was passed in 1986, after 6 years of hard work and compromise, stands as a heartening example of how a political system too often accused of gridlock and obstruction can succeed when the right leader tempers determination with cooperation.

He hardly slowed down from there, however, continuing to take on some of the most sensitive issues, impressing even his opponents with his honesty and courage. He spoke to a group of Vietnam veterans, and frankly told them of his reservations about compensation for veterans who claimed to have been injured due to their exposure to chemicals during the war. He simply had not seen adequate proof that their injuries were caused by their wartime experiences, he explained. The audience disagreed with him, but they respected his honesty and forthrightness in explaining his views. At the conclusion of his speech, he received a standing ovation.

In announcing his retirement, Senator SIMPSON said that, when he began his work in the Senate, he promised the voters two things, and two things only. First, that he would work very hard, and second, that he would try to make them very proud. Madam President, it takes honesty and courage to be so frank in what one promises, and it takes hard work and perseverance to make good on those promises. Senator SIMPSON exhibited all of those qualities, and he will be long remembered for them.

Senator SIMPSON also told us that he is leaving this Chamber because he no longer feels the same "fire in the belly." I am disappointed to hear that, but I have very little doubt that whatever he chooses to do upon leaving us, the fire in his belly will soon be rekindled, and the flames will fuel his passion, and we will all be touched by his energy. I thank him, and I wish him the best of luck.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

MESSAGES FROM THE HOUSE

At 3:45 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 33. An act to transfer the Fish Farming Experimental Laboratory in Stuttgart,

Arkansas, to the Department of Agriculture, and for other purposes.

H.R. 394. An act to amend title 4 of the United States Code to limit State taxation of certain pension income.

H.R. 1718. An act to designate the United States courthouse located at 197 South Main Street in Wilkes-Barre, Pennsylvania, as the "Max Rosem United States Courthouse."

H.R. 1878. An act to extend for 4 years the period of applicability of enrollment mix requirement to certain health maintenance organizations providing services under Dayton Area Health Plan.

H.R. 2061. An act to designate the Federal building located at 1550 Dewey Avenue, Baker City, Oregon, as the "David J. Wheeler Federal Building."

H.R. 2111. An act to designate the Federal building at 1221 Nevin Avenue in Richmond, California, as the "Frank Hagel Federal Building."

H.R. 2415. An act to designate the United States Customs Administrative Building at the Ysleta/Zaragosa Port of Entry located at 797 South Ysleta in El Paso, Texas, as the "Timothy C. McCaghen Customs Administrative Building."

H.R. 2481. An act to designate the Federal Triangle Project under construction at 14th Street and Pennsylvania Avenue, Northwest, in the District of Columbia, as the "Ronald Reagan Building and International Trade Center."

H.R. 2504. An act to designate the Federal Building located at the corner of Patton Avenue and Otis Street, and the United States Courthouse located on Otis Street, in Asheville, North Carolina, as the "Veach-Baley Federal Complex."

H.R. 2547. An act to designate the United States courthouse located at 800 Market Street in Knoxville, Tennessee, as the "Howard H. Baker, Jr. United States Courthouse."

H.R. 2556. An act to redesignated the Federal building located at 345 Middlefield Road in Menlo Park, California, and known as the Earth Sciences and Library Building, as the "Vincent E. McKelvey Federal Building."

H.R. 2689. An act to designate the United States Courthouse located at 301 West Main Street in Benton, Illinois, as the "James L. Foreman United States Courthouse."

The message also announced that the House has also passed the following bills, without amendment:

S. 369. An act to designate the Federal Courthouse in Decatur, Alabama, as the "Seybourn H. Lynne Federal Courthouse", and for other purposes.

S. 965. An act to designate the United States Courthouse for the Eastern District of Virginia in Alexandria, Virginia, as the "Albert V. Bryan United States Courthouse."

S. 1465. An act to extend au pair programs.

The message further announced that the House agree to the amendment of the Senate to the bill (H.R. 660) to amend the Fair Housing Act to modify the exemption from certain familiar status discrimination prohibitions granted to housing for older person.

At 6:15 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 132. Joint Resolution affirming that budget negotiations shall be based on the most recent technical and economic assumptions of the Congressional Budget Office and shall achieve a balanced budget by fiscal year 2002 based on those assumptions.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 33. An act to transfer the Fish Farming Experimental Laboratory in Stuttgart, Arkansas, to the Department of Agriculture, and for other purposes; to the Committee on Environment and Public Works.

H.R. 394. An act to amend title 4 of the United States Code to limit State taxation of certain pension income; to the Committee on Finance.

H.R. 1718. An act to designate the United States courthouse located at 197 South Main Street in Wilkes-Barre, Pennsylvania, as the "Max Rosem United States Courthouse"; to the Committee on Environment and Public Works.

H.R. 1878. An act to extend for 4 years the period of applicability of enrollment mix requirement to certain health maintenance organizations providing services under Dayton Area Health Plan; to the Committee on Finance.

H.R. 2061. An act to designate the Federal building located at 1550 Dewey Avenue, Baker City, Oregon, as the "David J. Wheeler Federal Building"; to the Committee on Environment and Public Works.

H.R. 2111. An act to designate the Federal building at 112 Nevin Avenue in Richmond, California, as the "Frank Hagel Federal Building"; to the Committee on Environment and Public Works.

H.R. 2415. An act to designate the United States Customs Administrative Building at the Ysleta/Zaragosa Port of Entry located at 797 South Ysleta in El Paso, Texas, as the "Timothy C. McCaghen Customs Administrative Building"; to the Committee on Environment and Public Works.

H.R. 2481. An act to designate the Federal Triangle Project under construction at 14th Street and Pennsylvania Avenue, Northwest, in the District of Columbia, as the "Ronald Reagan Building and International Trade Center"; to the Committee on Environment and Public Works.

H.R. 2504. An act to designate the Federal Building located at the corner of Patton Avenue and Otis Street, and the United States Courthouse located on Otis Street, in Asheville, North Carolina, as the "Veach-Baley Federal Complex"; to the Committee on Environment and Public Works.

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H.R. 2556. An act to redesignated the Federal building located at 345 Middlefield Road in Menlo Park, California, and known as the Earth Sciences and Library Building, as the "Vincent E. McKelvey Federal Building"; to the Committee on Environment and Public Works.

H.R. 2689. An bill to designate the United States Courthouse located at 301 West Main Street in Benton, Illinois, as the "James L. Foreman United States Courthouse"; to the Committee on Environment and Public Works.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

Tommy Edward Jewell, III, of New Mexico, to be a Member of the Board of Directors of

the State Justice Institute for a term expiring September 17, 1995.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. NICKLES:

S. 1484. A bill to enforce the public debt limit and to protect the social security trust funds and other federal trust funds and accounts invested in public debt obligations; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. NICKLES:

S. 1484. A bill to enforce the public debt limit and to protect the social security trust funds and other federal trust funds and accounts invested in public debt obligations; to the Committee on Finance.

THE FEDERAL TRUST FUND BENEFICIARY PROTECTION ACT

Mr. NICKLES. Mr. President, 4 weeks ago tomorrow, the President signed a bill into law, the continuing resolution, that stated he would agree to a balanced budget in 7 years using Congressional Budget Office figures, which protected his priorities. That bill passed both Houses of Congress and was signed by the President of the United States.

Unfortunately, that happened 4 weeks ago, but the President has not complied with the law. He has not done what he said he was going to do. I find that to be particularly upsetting, and frustrating because the President has not done what he said he was going to do.

I have been one of the budget negotiators. I sat in on very long meetings, very unfruitful meetings where we asked time and time again for the President's representatives to submit a budget that would comply with the law.

Last Friday, President Clinton's negotiators submitted their fourth budget of the year, the second since signing the continuing resolution 4 weeks ago. The fourth budget did not come close to balancing using Congressional Budget Office numbers. As a matter of fact, it has a deficit in the \$100 billion range, as far as the eye can see. Now, that is not a balanced budget. That is not what the President said he was going to do.

That bothers me. The President of the United States said in a statement to a joint session of Congress in January 1993, that he would use the Congressional Budget Office figures so that we would not be arguing about baselines and different sets of numbers, so

we would be comparing apples to apples.

The President said we would do that. Unfortunately, he has not done what he said he would do. That was in his State of the Union Address almost 3 years ago, and he has not done what he said he would do a month ago in signing the continuing resolution. He said he would submit a balanced budget. He has not done that yet.

Then earlier today, the President vetoed three appropriations bills. I think he made a mistake. I am looking for the reasons that he gave in vetoing those bills. I have been on the Appropriations Committee. I am familiar with all three bills, and I do not think he had any justification for vetoing those bills. All the employees that work in the Departments of Commerce, State and Justice, or the Interior Department, or the Veterans Department, or the Department of Housing—and we are talking about hundreds of thousands of employees—could have gone back to work tomorrow if President Clinton had signed those bills. But, unfortunately, he did not. I will look at his veto message and review that with my colleagues as soon as we get it, but my guess is he vetoed those bills because we are not spending enough money. My guess is he wants to spend more money in all of those bills.

I note, also, Mr. President, that today the stock market is falling rather significantly—almost a 100-point drop in the Dow Jones market today. Maybe it is because the markets are starting to question whether or not Congress will come to a balanced budget. I think the markets are interpreting it correctly. It is going to be difficult for us to get a deal together if the President of the United States will not comply with his commitment to submit a balanced budget in 7 years, using honest economics. So the market is probably interpreting that correctly.

What else has happened in the last 4 weeks? Well, the President and the Secretary of Treasury stated repeatedly that they needed an increase in the debt limit. They said that Congress has to pass the debt limit increase or else the United States of America is going to be defaulting on its obligations for the first time in history. We heard that time and time again from the President and the Secretary of Treasury. However, on the deadline of November 15, we did not default. What happened on November 15 is that the Secretary of Treasury—I am assuming with the guidance of the President of the United States—began raiding trust funds, pension funds.

Mr. President, I used to be in the private sector. I used to be fiduciary and trustee of a private pension plan. Being a fiduciary and trustee of a private pension plan means you have certain responsibilities to the employees. You cannot dip into employee pension funds for other purposes. You cannot raid those pension funds to help meet other obligations—maybe even unforeseen obligations. You have to find other sources of income, or you have to cut

expenditures, or you just have to make do. But those pension funds are off limits.

Unfortunately, they have not been off limits to Secretary Rubin and President Clinton, because they used those trust funds to get around the debt limit. The debt limit, I might mention to my colleagues, is statutory; that is a law. It is passed by Congress. Congress has the power to borrow. That power is not vested in the executive branch. The President is taking that power upon himself by borrowing from the pension funds. They have come up with, maybe, very shaky legal guidance that says they can do it. Granted, a previous administration did it for a couple of days. But this administration looks like they want to do it for a year or more, and not just a few billion dollars to get through a weekend; it looks like maybe it is for months and months. We have a lot of trust funds, and it appears that this administration is prepared to raid all of them.

Mr. President, today I am introducing legislation to protect our Nation's elderly, disabled, poor, and unemployed from recent unprecedented activities by President Clinton's administration. This legislation became necessary, Mr. President, when the Secretary of Treasury, Robert Rubin, undertook an aggressive campaign last month to deliberately avoid the public debt limit.

The Secretary's actions have endangered some of the Government's most important programs which provide retirement benefits, health benefits, separation payments, life and disability insurance benefits, and dependents and survivors' benefits. Specifically, on November 15, 1995, Secretary of the Treasury Robert Rubin circumvented the \$4.9 trillion limit on public debt by authorizing the conversion to cash of the entire \$21.5 billion of Federal Employees Thrift Saving Plan, G Fund, and the disinvestment of \$39.8 billion of the \$375 billion Civil Service Retirement and Disability Fund, commonly called CSRDF.

Just last week, Secretary Rubin announced he would further side-step the limit by withholding a deposit of \$14.5 billion in interest payments to the CSRDF. These unprecedented actions were ordered to deliberately avoid the legal limit on public debt enacted by Congress. Through processes known as disinvesting, converting to cash and underinvesting, this administration is raiding the Federal pension assets of almost 3 million Federal employees to keep on borrowing, despite the debt limit. If this type of creative accounting happened in private business, it could land the employer in jail for up to a year. That is because, in the real world, raiding your employees' pension funds is a serious crime.

Where will the trust fund raids stop? Well, as of September 30, 1995, \$1.32 trillion in Federal securities were held by Federal trust funds or other special accounts, compromising more than one quarter of all outstanding Federal debt. Almost half of this amount is

held by Social Security and Medicare trust funds—\$483 billion by Social Security and \$143 billion by Medicare. The remainder is held by the Federal civil service and military retirement funds—\$375 by the Federal Civil Service Retirement Fund and \$113 by the Military Retirement Fund. Theoretically, all these funds are in danger of being disinvested by this administration to fuel more Government spending.

Mr. President, this administration has long tried to have it both ways when it comes to controlling this deficit spending. A case in point is the contradictory rhetoric and actions regarding the disinvestment of Federal employee pension funds and its policy of the same practice in the private sector. At the same time Secretary Rubin was disinvesting Federal employee pension funds, Robert Reich, Secretary of Labor, was warning about the danger of private pension funds being raided by unscrupulous employers. Here is what Secretary Reich had to say about private sector pensions:

Labor Department investigators, in recent months, have discovered a growing number of companies that have been raiding their employees' 401(k) pension plans. We have reason to believe that some companies are simply taking contributions from employees and using the money for their own purposes. They have regarded this 401(k) pool of money coming from employees almost like an interest-free loan. Some of them have every intention of paying the money back, but are using this for their own purposes to pay bills and pay other costs of doing business. All of these employers are acting illegally. I want to send a very clear and unambiguous message to employers, and my message is: Hands off, this is not your money. This money belongs to employees.

That warning was given by Labor Secretary Robert Reich in a news conference on November 27, 1995. These words ought to strike a chord over at Treasury because the Federal retirement trust funds that Secretary Rubin has been manipulating are the Federal equivalence of the private pension plans that Secretary Reich is describing. The bottom line for private business is that these funds cannot be used for any other purpose than the benefits for which they are intended. The civil and criminal penalties for doing so are clear. The tax penalties include a fine of 5 percent of the amount involved, and up to 100 percent if the plan is not promptly made whole. The labor penalties include a 20-percent penalty of the amount involved, and a minimum fine of \$5,000, and up to 1 year in jail for a willful violator.

If this is not the height of "do what I say, not what I do," then I do not know what is.

Mr. President, it is because of the administration's unscrupulous actions that I am introducing the Federal Trust Fund Beneficiary Protection Act. My legislation, which is a companion measure to H.R. 2621, introduced by the Ways and Means Chairman

BILL

ARCHER, which recently passed the House of Representatives, precludes the Secretary of Treasury and other officials from refraining to properly credit trust funds and special accounts with securities for the purpose of avoiding public debt limit. Further, during any period which the Secretary is unable to issue new debt limit obligations due to a limitation on public debt, they may not sell or redeem securities obligations or other assets of these trust funds and special accounts, except when necessary to provide for the payment of benefits and administrative expenses of the various cash benefit programs.

Trust funds whose benefit payments are specifically protected include, first, the Federal old age and survivors insurance trust fund, Social Security; second, the Federal Disability Insurance Trust Fund; third, Federal Hospital Insurance Trust Fund; fourth, the Federal Supplementary Medical Insurance Trust Fund, all of which are Social Security and Medicare. Fifth, the civil service retirement and disability fund; sixth, the Government securities and investment fund; seventh, the Department of Defense military retirement fund; eighth, the unemployment trust fund; ninth, each of the railroad retirement funds and accounts; tenth, the Department of Defense education benefits fund and; eleventh, the black lung disability trust fund.

Finally, my legislation includes conforming amendments which repeal the authority Secretary Rubin relied upon last month to disinvest Civil Service retirement and disability funds. Mr. President, I believe it is critical Congress enact this legislation as soon as possible before Secretary Rubin further confiscates trust fund assets intended for our elderly, disabled, poor, and unemployed. I hope that my colleagues will join me in this initiative.

Mr. President, I cannot imagine the outcry that would happen if we had a Republican administration raiding Federal employees' trust funds. In the private sector if you do this you can be fined significantly and you can be put in jail. Yet the Secretary of the Treasury, under the guidance and I assume the direction of President Clinton, is raiding these funds at will and quite possibly plans on doing so for the rest of the year.

If they can raid the civil service trust fund, evidently they can raid the Social Security trust fund or the Medicare trust fund. We need to protect these funds. They were created and paid for by employees. We need to protect them. I wish that was not necessary. Evidently it seems to be the case.

Again, Congress has the authority to set the debt limit. This administration, with the Secretary's actions, is saying they can avoid the debt limit by raiding these funds. This legislation would stop that. It would prohibit that. I hope my colleagues would concur. Similar legislation has already passed

the House. It is my hope we will pass this legislation before we leave. I think it is important to pass before we leave for Christmas.

Mr. President, as I said, this legislation became necessary when the Secretary of the Treasury, Robert Rubin, undertook an aggressive campaign last month to deliberately avoid the public debt limit. The Secretary's actions have endangered some of the Government's most important programs which provide retirement benefits, health benefits, separation payments, life and disability insurance benefits, and dependent's and survivor's benefits.

Specifically, on November 15, 1995, Secretary of Treasury Robert Rubin circumvented the \$4.9 trillion limit on the public debt by authorizing the conversion to cash of the entire \$21.5 billion Federal employees' thrift savings plan "G" fund and the "disinvestment" of \$39.8 billion of the \$375 billion Civil Service Retirement and Disability Fund [CSRDF]. And just last week, Secretary Rubin announced that he would further sidestep the borrowing limit by withholding the deposit of a \$14.5 billion interest payment to the CSRDF. These unprecedented actions were ordered to deliberately avoid the legal limit on the public debt enacted by Congress.

Through processes known as disinvesting, converting to cash, and underinvesting, this administration is raiding the Federal employee assets of almost 3 million Federal employees to keep on borrowing despite the debt limit. If this type of creative accounting happened in a business, it could land the employer in jail for up to 1 year. That is, in the real world, raiding your employees' pension funds is a serious crime.

Where will the trust fund raid stop? Well, as of September 30, 1995, \$1.32 trillion in Federal securities were held by Federal trust funds or other special accounts, comprising more than one quarter of all outstanding Federal debt. Almost half of this amount is held by the Social Security and Medicare trust funds—\$483 billion by Social Security and \$143 billion by Medicare. The remainder is held by the Federal Civil Service and Military Retirement Funds—\$374 billion by the Federal Civil Service Retirement Fund and \$113 billion by the Military Retirement Fund. Theoretically, all of these funds are in danger being disinvested by this administration to fuel more Government spending.

Mr. President, this administration has long tried to have it both ways when it comes to controlling its deficit spending. Case in point is their contradictory rhetoric and action with regard to its disinvestment of Federal employee pension funds and its policy on the same practice in the private sector. At the same time Secretary Rubin was disinvesting Federal employee pension funds, the Secretary of Labor, Robert Reich, was warning about the

danger to private pension funds from raids by unscrupulous employers. Here's what Secretary Reich had to say about private-sector pensions:

Labor Department investigators in recent months have discovered a growing number of companies that have been raiding their employees' 401k pension plans. We have reason to believe that some companies are simply taking contributions from employees and using the money for their own purposes. . . [They] have regarded this 401k pool of money coming from employees almost like an interest-free loan. . . Some of them have every intention of paying the money back, but they are using this for their own purposes to pay bills, to pay other costs of doing business. . . All of these employers are acting illegally. . . And I want to send a very clear and unambiguous message to employers. . . And my message is: hands off. This is not your money. This money belongs to employees.—Labor Secretary Robert Reich, transcript from news conference, November 27, 1995.

These words ought to strike a chord over at Treasury, because the Federal retiree trust funds Secretary Rubin has been manipulating are the Federal equivalents of the private sector pension plans Secretary Reich is describing.

The bottom line for private business is that these funds cannot be used for any other purpose than the benefits for which they are intended. The civil and criminal penalties for doing so are clear. The tax penalties include a fine of 5 percent of the amount involved and up to 100 percent if the plan is not promptly made whole. The labor penalties include a 20-percent penalty of the amount recovered, a minimum fine of \$5,000, and up to 1 year in jail for a willful violator.

If this is not the height of "do what I say and not what I do" then I don't know what is.

Mr. President, it is because of the administration's unscrupulous actions that I am introducing the Federal Trust Fund Beneficiary Protection Act. My legislation, which is a companion measure to H.R. 2621 introduced by Ways and Means Chairman BILL ARCHER, precludes the Secretary of the Treasury and other officials from refraining to properly credit trust funds and special accounts with securities for the purpose of avoiding the public debt limit.

Further, during any period in which the Secretary is unable to issue new debt obligations due to a limitation on the public debt, they may not sell or redeem securities, obligations, or other assets of these trust funds and special accounts, except when necessary to provide for the payment of benefits and administrative expenses of the various cash benefit programs. Trust funds whose benefit payments are specifically protected include: The Federal Old-Age and Survivors Insurance Trust Fund; the Federal Disability Insurance Trust Fund; the Federal Hospital Insurance Trust Fund; the Federal Supplementary Medical Insurance Trust Fund; the Civil Service Retirement and

Disability Fund; the Government Securities Investment Fund; the Department of Defense Military Retirement Fund; the Unemployment Trust Fund; each of the railroad retirement funds and accounts; the Department of Defense Education Benefits Fund and the Post-Vietnam Era Veterans Education Fund; and the Black Lung Disability Trust Fund.

Finally, my legislation includes conforming amendments which repeal the authorities Secretary Rubin relied upon last month to disinvest the Civil Service Retirement and Disability Fund.

Mr. President, I believe it is critical that Congress enact this legislation as soon as possible, before Secretary Rubin further confiscates trust fund assets intended to benefit our Nation's elderly, disabled, poor, and unemployed. I hope my colleagues will join me in this initiative.

ADDITIONAL COSPONSORS

S. 413

At the request of Mr. DASCHLE, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 413, a bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under such Act, and for other purposes.

S. 881

At the request of Mr. PRYOR, the name of the Senator from Arkansas [Mr. BUMPER] was added as a cosponsor of S. 881, a bill to amend the Internal Revenue Code of 1986 to clarify provisions relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 1138

At the request of Mr. GRASSLEY, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 1138, a bill to amend title XVIII of the Social Security Act to provide that certain health insurance policies are not duplicative, and for other purposes.

S. 1317

At the request of Mr. D'AMATO, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1317, a bill to repeal the Public Utility Holding Company Act of 1995, to enact the Public Utility Holding Company Act of 1995, and for other purposes.

ADDITIONAL STATEMENTS

SMITHSONIAN INSTITUTION BOARD OF REGENTS CANDIDATES

• Mr. WARNER. Mr. President, yesterday the Senate Committee on Rules and Administration unanimously reported out four resolutions regarding

appointments to the Board of Regents of the Smithsonian Institution.

House Joint Resolution 69 provided for the reappointment of Homer Alfred Neal as a citizen Regent of the Board of Regents of the Smithsonian Institution. House Joint Resolution 110, House Joint Resolution 111, and House Joint Resolution 112 provide for the appointment of Howard H. Baker, Jr., Anne d'Harnoncourt, and Louis Gerstner, respectively, as citizen Regents of the Board of Regents of the Smithsonian.

Mr. Neal has made many contributions throughout the course of his first 6-year term on the Board of Regents and I know that Messrs. Baker and Gerstner and Ms. d'Harnoncourt will make similar contributions. For the benefit of all Senators, at the conclusion of my remarks I will insert in the RECORD the curriculum vitae of each Regent candidate. I will also include a letter from the Secretary of the Smithsonian, I. Michael Heyman.

We are very fortunate to have such distinguished individuals who are willing to commit their time and energy to serving on the Board of Regents and I strongly recommend that the Senate act favorably on the resolutions.

The material follows:

HOMER A. NEAL

Homer A. Neal is Vice President for Research and Professor of Physics at the University of Michigan. From 1987 to 1993 he was Chair of the University of Michigan Physics Department. He has served as Vice President for Academic Affairs and Provost at the State University of New York at Stony Brook and Dean for Research and Graduate Development at Indiana University. His research area is experimental high energy physics and he has conducted particle interaction studies in hadron-hadron and electron-positron collision at laboratories in the U.S. and abroad. His research group is a part of the DZERO collaboration that recently announced the discovery of the top quark.

He is a recipient of the Sloan Foundation Fellowship, the John Simon Guggenheim Fellowship, the Stony Brook Medal and the Indiana Distinguished Alumni Service Award.

Neal is a Regent and Executive Committee member of the Smithsonian Institution, and is a member of the Oak Ridge National Laboratory Advisory Board. He is also a member of the MIT Visiting Committee on Sponsored Research, a Fellow of the American Physical Society and a member of the Board of Trustees of the Center for Strategic and International Studies. He has served on the Board of Trustees of the Argonne National Laboratory and the Fermi National Accelerator Laboratory. He has been a member of the Board of Overseers of the Superconducting Supercollider and the National Science Board, the oversight body for the National Science Foundation. He has also served as Chairman of the Physics Advisory Committee of the National Science Foundation. He has delivered testimony on numerous occasions to Congress on matters ranging from the funding of National Laboratories to the state of undergraduate science education.

He has technical expertise in the design of particle detectors, high speed electronics, image pattern recognition algorithms, event reconstruction and data analysis, and large scale database management.

His current administrative position as vice president for research involves oversight of

the research programs, policies and infrastructure at the University of Michigan, which is presently ranked, in terms of total competitively awarded research funds, as the nation's top research university.

He has had extended scientist-in-residence appointments at the Niels Bohr Institute in Copenhagen and at the European Organization for Nuclear Research in Geneva. He has been a visiting scientist at Stanford University, Argonne National Laboratory, and Brookhaven National Laboratory. His professional travels have also taken him to the Institute for High Energy Physics at the Chinese Academy of Sciences in Beijing and to laboratories in the former Soviet Union, Israel, Japan and several other countries.

He is a member of the Board of Directors of the Ogden Corporation and the Environmental Research Institute of Michigan (ERIM).

HOWARD H. BAKER, JR.

Howard H. Baker, Jr., has returned to private life and the practice of law after serving in the United States Senate from 1967 until January of 1985, and as President Reagan's Chief of Staff from February 1987 until July of 1988. He resides in Huntsville, Tennessee, the place of his birth November 15, 1925.

Following undergraduate studies at the University of the South and Tulane University, Senator Baker received his law degree from the University of Tennessee. He served three years in the U.S. Navy during World War II.

In 1949 Senator Baker joined his father, the late Congressman Howard H. Baker, in the law practice founded first by his grandfather in 1888. Senator Baker returned to that practice, then known as Baker, Worthington, Crossley & Stansberry, after leaving the Senate in 1985 and then again after leaving the White House in 1988.

He served as United States Senator from Tennessee from 1967 to 1985. In addition to his regular Senate committee assignments, he served as Vice Chairman of the Senate Watergate Investigation Committee in 1973. He served as the Senate Minority Leader from 1977 to 1981 and as the Senate Majority Leader from 1981 to 1985.

At the Republican National Convention in 1976, he was the keynote speaker. He was a candidate for the Republican presidential nomination in 1980. Senator Baker was the Chief of Staff to President Reagan in 1987 and 1988.

Senator Baker is the senior partner in the law firm of Baker, Donelson, Bearman & Caldwell. The firm has offices in Tennessee and Washington, D.C.

Senator Baker was a delegate to the United Nations in 1976, and served on the President's Foreign Intelligence Board from 1985 to 1987 and from 1988 to 1990. He is a member of the Council on Foreign Relations and the Washington Institute of Foreign Affairs and is an International Councillor for The Center for Strategic and International Studies. He is a member of the boards of directors of the Forum of International Policy and the American-Russian Cultural Cooperation Foundation.

In the business community, Senator Baker currently serves on the boards of Federal Express, WMX Technologies, United Technologies and Pennzoil. He is Chairman of the Board of Newstar, Inc. and of Cherokee Aviation. Senator Baker is a member of the Board of Trustees of the Mayo Clinic.

Senator Baker has published three books, "No Margin for Error" in 1980, "Howard Baker's Washington" in 1982, and "Big South Fork Country" in 1993. He received The American Society of Photographer's International Award in 1993 and was elected to

The Photo Marketing Association's Hall of Fame in 1994.

Senator Baker is the recipient of the Nation's highest civilian award, the Presidential Medal of Freedom. He also received the Jefferson Award for Greatest Public Service Performed by an Elected or Appointed Official.

Senator Baker was married to the late Joy Dirksen and has two children, Darek Dirksen Baker and Cynthia Baker. He has four grandchildren.

ANNE D'HARNONCOURT (MRS. JOSEPH RISHEL)

Born September 7, 1943, Washington, D.C.
Present Position: The George D. Widener Director, Philadelphia Museum of Art.

Education: The Brearley School, New York City, 1949-1961.

Radcliffe College, Cambridge, MA, 1961-1965.

Majored in History and Literature of Europe and England since 1740, with additional course work in the history of architecture. B.A. thesis on comparative aspects of the poetry of Shelley and Holderlin.

Graduated B.A. magna cum laude, June 1965.

Courtauld Institute of Art, London University, 1965-1967.

First year course: seminar in European art since 1830. Second year: specialized research on the period 1900-1915 in Italy, France, and Germany. M.A. thesis on moral subject matter in mid-19th century British painting, with emphasis on the Pre-Raphaelites.

Graduated M.A. with distinction, June 1967.

Honors: Elected to Phi Beta Kappa in 1964. *Museum Experience:*

1966-1967—Tate Gallery, London. Six months of work as part of Courtauld M.A. thesis, preparing full catalogue entries on 30 Pre-Raphaelite paintings and drawings in the Tate collection.

1967-1969—Philadelphia Museum of Art Curatorial Assistant, Department of Painting and Sculpture.

1969-1971—The Art Institute of Chicago Assistant Curator of Twentieth-Century Art.

1971-1972—Philadelphia Museum of Art Associate Curator of Twentieth-Century Painting.

1972-1982—Philadelphia Museum of Art Curator of Twentieth-Century Art.

Exhibitions Organized:

Marcel Duchamp. The Philadelphia Museum of Art, The Museum of Modern Art, The Art Institute of Chicago, 1973-74. (Collaboration with Kynaston McShine, The Museum of Modern Art)

Philadelphia: Three Centuries of American Art. Philadelphia Museum of Art, 1976. (One of several collaborators under the direction of Derrel Sewell, Curator of American Art, Philadelphia Museum of Art)

Eight Artists. Philadelphia Museum of Art, 1978.

Violet Oakley. Philadelphia Museum of Art, 1979. (Collaboration with Ann Percy, Philadelphia Museum of Art)

Futurism and the International Avant-Garde. Philadelphia Museum of Art, 1980.

John Cage: Scores and Prints. Whitney Museum of American Art, Albright Knox Museum, Philadelphia Museum of Art, 1982. (Collaboration with Patterson Sims, Whitney Museum)

LOUIS V. GERSTNER, JR.

Louis V. Gerstner, Jr., was named Chairman and Chief Executive Officer of International Business Machines Corp. on April 1, 1993.

Prior to joining IBM, Mr. Gerstner served for four years as Chairman and Chief Executive Officer of RJR Nabisco, Inc. This was

preceded by an 11-year career at American Express Company, where he was President of the parent company and Chairman and CEO of its largest subsidiary, American Express Travel Related Services Company. Prior to that Mr. Gerstner was a director of the management consulting firm of McKinsey & Co., Inc., which he joined in 1965.

Born in Mineola, New York, on March 1, 1942, Mr. Gerstner received a B.A. in engineering from Dartmouth College in 1963 and an M.B.A. from Harvard Business School in 1965. In 1994 he was awarded an honorary doctorate of business administration from Boston College.

Mr. Gerstner is a director of The New York Times, Co., Bristol-Meyers Squibb Co., the Japan Society and Lincoln Center for the Performing Arts. He is a Vice Chairman of the New American Schools Development Corp. and a member of the Board of Directors of the Council on Foreign Relations.

A life-time advocate of the importance of quality education, Mr. Gerstner is a co-author of "Reinventing Education: Entrepreneurship in America's Public Schools" (Dutton, 1994), which documents public school reforms now underway designed to enable our children to handle the demands of today's complex global economy. At IBM, Mr. Gerstner has redirected a majority of the company's substantial philanthropic resources in the U.S. to the support of public school reform.

SMITHSONIAN INSTITUTION,
Washington, DC, December 13, 1995.

Hon. JOHN W. WARNER,

Chairman, Committee on Rules and Administration, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I would like to take this opportunity to comment on the joint resolution providing for the reappointment of Dr. Homer Alfred Neal of Michigan to the Board of Regents, as well as on the resolutions providing for the appointment of Howard H. Baker, Jr., Louis Gerstner and Anne d'Harnoncourt as citizen Regents, filling current vacancies on the Board.

Regents and the manner of appointment and terms of office of those other than Members of Congress are set forth in 20 U.S.C. 42 and 43. At its meeting in January, the Board of Regents voted unanimously to request the Congressional members of the Board to introduce legislation to provide for the reappointment of Dr. Neal. Likewise, in May, following a unanimous vote, the Congressional Regents were asked to sponsor legislation providing for the appointment of Messrs. Baker and Gerstner and Ms. d'Harnoncourt. Each resolution provides for a statutory term of six years, becoming effective upon enactment.

As their respective biographies attest, the candidates have distinguished themselves in careers of science and education, public service, corporate management, and museum administration and scholarship. The appointment of each of these accomplished individuals presents the opportunity for the Institution to enrich the experience and perspective of its governing board.

Enactment of the joint resolution would have no regulatory impact and entails no cost to the Government. I shall, of course, be happy to furnish any additional information you may require for your consideration.

Sincerely,

I. MICHAEL HEYMAN,
Secretary.●

A SHUTDOWN'S OTHER COSTS

● Mr. SARBANES. Mr. President, as we are all well aware, the country is experiencing the second partial shutdown of

the Federal Government this year. Last November, 800,000 very dedicated men and women were prohibited from coming to work, were called non-essential and had to endure 6 long days full of stress and uncertainty. Now, with Christmas just a week away, I regret we find ourselves in the same situation.

While the current shutdown affects fewer Federal employees, some 280,000, their concerns and fears are no less real than they were 4 weeks ago. It is outrageous that Federal employees, many of whom are Marylanders, continue to be the unwilling victims of the ongoing budget battle between the congressional leadership and the administration. How are people who live from paycheck to paycheck going to meet their mortgage payments or tuition payments for their kids who are in school?

Yesterday, Mr. President, the Washington Post published an editorial which, in my view, clearly articulates the harmful effects of a shutdown on our work force. We have a national interest in having a first-rate Federal service. You do not want a second-rate Federal service. But, if you continue in effect to assault people, keep them in this state of agitation and anxiety and fear and apprehension, you are well on your way to bringing about a second-rate service. People have other opportunities and will leave to take them. Good people will not come in because they do not want to live in this environment and for that we will all suffer.

At some point I hope people will reach the conclusion that Federal employees have a reasonable role and place in the workings of our system and they ought to be treated with a measure of dignity. It is important that we consider seriously the implications of a shutdown, not only on the daily operations of the Federal Government, but on the long-term performance and perception of civil servants and the public service they provide. I ask that the text of the article be printed in the RECORD.

The article follows:

[From the Washington Post, Dec. 17, 1995]

A SHUTDOWN'S OTHER COSTS

There is more to the stalemate of the government than the failure of the President and the GOP to agree on a seven-year balanced-budget plan. The furloughing of federal employees exacts a terrible cost from a valuable work force. Nothing can be more demoralizing to the men and women who look out for the nation's veterans, hunt cures to deadly diseases, keep our air and water clean, send out the Social Security checks and otherwise serve the nation in ways most of us don't think about, than to be told that despite their fidelity and contribution, they are really "nonessential." That insult, being added to all the other guff federal workers catch in the halls of Congress, on talk shows and from television comics, comes as an undeserved kick in the teeth from their own government.

Federal employees have every right to feel as if they are the real pawns in this sorry mess. One day they are proud and productive

members of the federal government, protecting the health and safety of the nation; the next day they are handed a slip of paper and sent home with no idea when they will be paid. That is no way to motivate a work force, let alone demonstrate respect for it.

The daily payroll cost for the furlough of employees is no small matter—even if employees are paid retroactively for their days out of work. But there are consequences of the cavalier treatment of the federal work force that will be felt long after the government is back in business.

A government that is in gridlock—worse yet, shuttered—does little to bolster a political system already losing the public's confidence. It downright debilitates its own work force. As a furloughed federal economist said during the last interruption, "Can you imagine a Fortune 500 company operating like this? If they had a dispute between their board of directors and their president, and they sent everybody home?" And in addition to the effect on morale, can such an interruption be supposed to be a help to the work they do?

In an open letter to federal employees, President Clinton and Vice President Gore signaled their recognition of the shabby treatment afforded the federal work force: "you remain good people caught in what Churchill called the 'worst system of government devised by the wit of man, except for all the others,'" they wrote. Good people—and they are—should not be made to pay for the failures of their leaders. Getting federal employees out of the middle and back on the job is the way to respect them. •

TRIBUTE TO MAYOR STEVE HETTINGER

• Mr. HEFLIN. Mr. President, Huntsville, AL, Mayor Steve Hettinger, announced in October that he would not seek reelection in 1996. He has been in Huntsville's top administrative post since 1988. Prior to becoming mayor, he was in the State legislature for 6 years, served for 4 years as an aide to former Congressman Ronnie Flipppo, and worked as an engineer.

Huntsville has witnessed dramatic growth and progress under the dynamic leadership of Mayor Hettinger. It has continued its long-range capital improvements program. He and other city leaders took an active role in persuading the Base Realignment and Closure Commission to move 2,600 Army jobs to Huntsville. Early in his tenure, he was instrumental in the passage of slope-development controls. Many urged him to mount a race for the Senate next year, but he declined.

Other accomplishments include the city's community plan "Vision 2000," road construction, the establishment of community facilities and long-term investments, and improvements in public safety, public works, and government efficiency. In 1989, the city council passed a half-cent sales tax increase, the revenue from which was used to improve city schools. No other general tax increase has been enacted. Mayor Hettinger has represented the city of Huntsville well. He is on good terms with corporate executives and is close to key State legislators.

In a highly unusual development, Mayor Hettinger and the city council

were able to balance the 1995 city budget and carry over nearly \$8 million to the 1996 budget year. He made a promise to do everything in his power to hold down spending while at the same time retain the quality and level of service to which residents had come accustomed. The fiscal austerity that resulted from this wise promise was difficult, as is always the case when government programs are affected. The efforts of the mayor and city council paid off in a big way, however, as the books were balanced and a surplus resulted. In these times, this is truly an incredible feat. The citizens of Huntsville are now mulling over what to do with the extra money. We can only dream of such success at the Federal level. Mayor Hettinger should be commended for this budgetary success—success from which we could learn a thing or two.

Steve Hettinger moved to Huntsville in 1967 after graduating from Mississippi State University with a degree in engineering. He attended the University of Alabama in Huntsville and worked in the space program. He earned a master's degree in industrial and systems engineering from UAH in 1974. He is currently the president of the Alabama League of Municipalities.

I know that Mayor Hettinger still has a great deal he wants to accomplish before he leaves office, and I am sure that he will accomplish much over the next year. He is really the first mayor of modern Huntsville, coming as he does from the ranks of the technocrats, and I mean that in the best sense of the term. He has improved efficiency dramatically, and Huntsville is a much better city because of his leadership and contributions. I wish him all the best for the future. •

UTAH WILDERNESS BILL

Mr. BENNETT. Mr. President, as you know, I have joined with other members of the Utah delegation and Governor Leavitt in introducing S. 884, the Utah Public Lands Management Act, also known as the Utah wilderness bill. Since we introduced this bill earlier this summer, we have been criticized up and down by opponents of S. 884 that the extensive process we engaged in to study and eventually recommend over 1.8 million acres in 49 wilderness areas was not extensive enough. Since January, over 22,000 public comments have been submitted, over 45 public hearings were held and 600 personal testimonies were accepted. However, our critics choose to overlook this fact as well as the fact that it is time to bring to closure this 20-year-old debate.

Mr. President, I ask that the following document be printed in the RECORD at the proper place as proof that the public comment process has indeed been extensive. This is an excerpt from a publication by the Coalition for Utah's Future/Project 2000. It details the extensive process which the coalition, joined by members of Utah's

environmental community and county commissioners and citizens of Emery County, undertook to discuss and resolve the issue of wilderness. Unfortunately, cost and space limitations will prohibit the inclusion of the entire text. I would encourage those who are interested in the full report to contact the coalition at the address following the excerpt. I commend these folks for their tremendous efforts to reach consensus on one of the most difficult and contentious public lands issues in our State. I believe this report illustrates just how extensive the process has been. I wish to express my thanks to the Coalition for Utah's Future/Project 2000 for the time and effort they have spent in conceiving and implementing this pilot project.

The material follows:

A PROJECT OF THE COALITION FOR UTAH'S FUTURE/PROJECT 2000

INTRODUCTION

In twelve short months, a traditional rural community in Utah moved from what appeared to be a deeply seated, anti-environmental sentiment to a protection oriented public lands agenda. Involved Emery County leaders and citizens alike, are now publicly espousing the desire to work with disparate parties and land managers to solve problems and seek mutually beneficial land protection mechanisms. How did this rather dramatic transformation in the county's approach to public lands issues occur? The answer involves the willingness of several visionary county and environmental leaders to be the "guinea pig" in a cooperatively designed Community and Wild Lands Futures Pilot Project sponsored by the Coalition for Utah's Future/Project 2000 (CUF), a non-profit, multi-issue organization comprised of diverse community leaders interested in a quality future for all Utah citizens. It also involves the surfacing of values, long held within the county but unacknowledged, due to the acrimonious nature of environmental disputes throughout Utah and the West over the past fifteen years.

The pilot was conceived in the summer of 1993 when CUF's conflict resolution consultant, Susan Carpenter, put a hypothetical question before a group of some 25 disparate stakeholders interested in resolving the conflict over Utah's BLM wilderness designation issue. She asked participants to assume the year is 1999, and that a Utah BLM wilderness bill, which everyone could support, had just been signed into law. "What", she asked, "are the steps beginning in 1999 and then working backwards to 1993, that led to the passage of this bill?" The group's response to this question became the basis for the conceptualization of the Community and Wild Lands Futures Pilot Project (CWFP). CWFP, they hoped, could become a model for other rural Utah communities and interested parties in the West.

The word future is key here. Conservationists in the design group reasoned that helping communities articulate their values, visions, and goals for an "ideal" future, would enable citizens to move beyond current problems and contentious issues toward a more pro-active plan based on commonly shared community values and "sense of place". This, they also theorized would lay a more productive foundation for subsequent discussions regarding environmentally sensitive, adjacent public lands. Rural leaders in the design group supported this community-based, grassroots approach. They expressed

the need for local empowerment and a seat at the table when making decisions regarding public lands issues affecting their future.

The group boiled these ideas down to three community questions, which were to be followed by broad-based wild lands futures deliberations in a focused geographic area. The community questions were: What do we have?, What do we want?, and What can we do?. In short, the hypotheses proved correct. Asking citizens what they valued, how they wanted the future to look, and exploring options to achieve this vision on the front side of a county-wide general planning initiative, led to outcomes such as: 1. the formation of a public lands council, 2. county agreement to enter wild lands futures deliberations with a broad range of interests and affected parties from within and without the county, 3. a county proposal for the protection of over 500,000 acres of BLM land (including 184,000 acres of wilderness), and 4. the conceptualization of a public lands institute involving cooperative partnerships with the BLM and other agencies for the preservation and management of the San Rafael Swell.

COMMUNITY AND WILD LANDS FUTURES PILOT PROJECT (CWFP)

In the summer of 1993, the broad-based group of stakeholder volunteers known as the Process Advisory Group, including decision-makers and resource representatives, gave birth to the Community and Wild Lands Futures Pilot Project. As described in the opening of this paper, when challenged to consider how a wilderness bill passed Congress by working backwards from 1999, the Process Advisory Group agreed that the first step should be community-based. Out of the discussions came the following project goals:

1. Address community and wild lands futures in a rational and scientific manner.
2. Create a grass roots process for comprehensive local community planning and sustainability.
3. Identify resources to enrich the process and generate useful information to share.
4. Connect the local visioning/planning process with the issue of public wild land futures and with state and national processes and players.
5. Develop a broad based recommendation for the classification of public wild lands in the pilot region.
6. Educate the broader general public about rural planning and community self-determination, and ecosystem management of natural systems and wild lands issues.
7. Create a replicable model.

A concept paper was circulated among approximately 300 interested parties at national, regional, state and local levels requesting constructive feedback. The reviews were favorable, which meant the next task was to select from one of several receptive pilot communities. In October of 1993, Emery County became the chosen community for the pilot project, and the newly formed Canyon County Partnership (CCP) received CUF funding to initiate staff support.

Today, the seed is germinating and concepts are maturing. County initiated deliberations include ideas to 1. develop a resource area partnership among Emery County, the BLM, the Forest Service, and other public land users, 2. become a nationally supported pilot program, and 3. conceptualize a non-profit San Rafael Swell Institute. Today, Emery County is proposing and exploring a planning/management partnership arrangement with the BLM. The purpose would be to:

Incorporate direct local involvement in land management agency planning processes.

Incorporate direct local involvement in land management agency decision-making processes.

Reconcile differences between the Emery County Master Plan and the planning goals and objective of the land management agencies.

Develop consistency between the ordinances and regulations of the federal and county entities.

Cooperate in law enforcement activities.
Cooperate in the provision of emergency services.

Cooperate in the permitting, design, placement, construction, and costs of public facilities (roads, buildings, etc.).

Cooperate in the facilitation of allowable uses.

Cooperate in the mitigation of impacts from various uses.

Cooperatively work to resolve local conflicts between uses, users, and stakeholders.

Leverage the limited resources of the local and Federal entities through coordinated efforts.

Share in a joint stewardship over the public lands within Emery County.

CUF believes it is a major accomplishment that Emery County is now adopting cooperative, problem-solving principles in newly conceived public lands initiatives within the County.

APPLICATION OF THE MODEL

In conclusion, the Community and Wild Lands Futures Pilot Project did advance environmental decision-making through inclusive community and interest group participation. Outcomes are evolving and project participant evaluations were overwhelmingly favorable. OPB's Brad Barber writes, "It [the project] taught us that this type of thing may work in the future. Once a wilderness bill is done in Utah—we should talk about moving into cooperative management." CUF board member and Moab Times Editor, Sam Taylor says, "In the event the [Utah delegation] bill does not become law, CUF has laid the ground work that will still lead to piece-meal resolution for the BLM wilderness issue. We have given them a roadmap," he concludes.

Many participants believe that the pilot has application value for comprehensive planning efforts in rural areas, and some can see it being applied to growth management, transportation, education and topical problems in urban areas. It clearly is recognized as being superior to the conventional approach of deriving local input from a couple of perfunctory public hearings. Jane Brass suggests that the need for disseminating information regarding the pilot model "is pervasive as states struggle with public lands issues." She cautions that communities should not have consultants dictate a quick way out. Rather, she recommends working through a process to "find answers that will be more acceptable to your community". Another participant echoed the concern that it could be dangerous to create a "cook book approach". The emphasis from a model should be on need and a few questions to ask in the beginning, he cautioned. Chairman Petersen advises other rural county leaders, who might be considering a similar planning model, "1. Put together a good steering group, 2. Listen to their input, and 3. Listen to people from other areas and take advantage of their successes and failures."

COMMUNITY VISIONS: A CATALYST FOR CREATING POSITIVE FUTURES

CWFP demonstrated that engaging local citizens in discussions about their values and visions of the future enabled them to develop solid plans for economic development and empowered them to approach the highly polarized issue of wilderness as an issue which could be resolved with their traditional adversaries, not as a battle to be won.

The constructive progress made by the county in the relatively short time will con-

tinue to bear fruit for the county on public lands issues and other matters of county interest. In reference to "Discovering Common Ground" by Marvin Weisbord, project consultant, Susan Carpenter, summarizes her perspective. She writes, "Weisbord makes the point that creating the tension between what we have and what we really want is a much more effective way to get what we want than the more traditional methods of problem-solving and conflict management (identify the problem and then develop options to solve it). My experience bear this out. I see the Coalition's Emery County Community/Wild Lands Futures Project as a powerful, effective model which can be applied to a wide range of issues at the county and state level across the West." Currently, CUF is moving forward with an initiative focused on quality growth in Utah. History will reveal whether we, as a whole and increasingly diverse community in Utah and the West, are able to build on the lessons learned from the Emery County experience.●

TRIBUTE TO AN INDISPENSABLE AMERICAN

● 1Mr. DODD. Mr. President, last month I was proud to learn that a member of my staff received an extraordinary accolade that is as fitting as it is complimentary. U.S. News & World Report named Stanley Israelite, my friend, counsel, and senior adviser in my State office in Connecticut, as 1 of 12 "indispensable Americans." It was an honor and a tribute, but not a surprise. Stanley's friends, his colleagues—and most certainly the people of Connecticut—have known that for years.

The best decision I ever made was hiring Stanley Israelite. He has been a dedicated public servant in every sense of the term, and I have trusted his counsel and treasured his companionship throughout my 21 years as a Member of Congress. Mr. President, it is with pride, admiration, and deference that I ask that this article from the November 27, 1995 issue of U.S. News & World Report be printed in the RECORD.

The article follows:

HOUNDING THE BUREAUCRATS

(By James Popkin)

Lots of people's problems with their government aren't ideological, they're logistical. That's why many rely on the congressional aides like Stanley Israelite to help them fight their battles with government agencies.

At age 70, Stanley Israelite is fighting a crusade to prove the cynics wrong. Since 1975, when the gravelly voiced former Brooklynite first went to work for then Rep. Christopher Dodd (now a senator), Israelite has helped thousands of Connecticut citizens replace lost passports, track down late tax refunds, ship dearly departed to grieving families overseas and even bail the occasional misbehaving Connecticut teenager out of Mexican jails.

All successful members of Congress have staffers like Israelite who can goose reluctant bureaucrats into action. Although Dodd happens to be a Democrat, effective constituent service is a congressional specialty that cuts across political lines. It's first and foremost a matter of good politics: Good service results in happy voters. But what distinguishes Israelite is his gusto for the job. And his not-so-artful technique: "When I call

an agency because somebody is waiting for her Social Security check or a guy is waiting for an FHA loan and the agency gives me some song and dance, I try to let them know I'm not gonna take any of their crap," he says. "At times, I tell them I've discussed this problem with the senator. Sometimes, it isn't true."

A former jewelry store owner and Chamber of Commerce honcho from Norwich, Conn., Israelite is Dodd's pipeline to many of the state's small-business owners. Harry Jackson, a lifelong Republican who is the City Council president in Norwich, recalls how difficult it was to get a meeting with officials from the Environmental Protection Agency when the city wanted to build a new firehouse on federal land. "Stan got us in there after just one phone call," says Jackson, who ultimately built the firehouse.

THINGS HAPPENED.

Don Daren says Israelite was a lifesaver in 1981, when a state-based paper distributor was trying to secure a \$900,000 umbrella loan from the Connecticut Development Authority. Daren, who owns the Arrow Paper Supply and Food Co., says it was going to take forever for the CDA to process his loan papers so he could buy a new warehouse. "Stanley told them [CDA officials] my problem, and things happened right away," says Daren, whose business has grown from 36 workers then to nearly 200 today. "He has his own constituency. People like Stanley."

Ideally, says veteran Hartford Courant political columnist Don Noel, senators like Dodd would use their clout on Capitol Hill to fix bureaucracies and make them more consumer friendly—eliminating the need for taxpayer-financed ombudsmen like Israelite. But since that goal seems unattainable, Noel figures that Israelite plays a vital role. "If you have something you need the senator to do for you, if anyone can do it, Stanley can," he says.

Israelite admits that he is motivated by a desire to help re-elect Dodd. But he adds: "Part of what drives me is knowing that there's someplace where somebody can go when they are not getting anywhere."

GENERIC ZANTAC

● Mr. FAIRCLOTH. Mr. President, during the debate on an amendment offered by my colleague from Arkansas, Senator PRYOR, with regard to GATT patent extensions, there were representations made about the availability of a generic form of Zantac. The Senate has expressed its support for Judiciary Committee hearings on this important issue. The chairman of that committee has committed to hold a hearing on February 27, 1996.

Some supporters of the generic drug companies claim that the hearings will delay marketing of generic Zantac. This is not true. In fact, due to other outstanding patent issues with regard to Zantac, it is unclear when a generic form of Zantac will be available, but it will be at least several months and likely to be after September 1996. Therefore, hearings held in early 1996 will permit more than sufficient time to resolve this question well before September 1996.

Mr. President, I ask to have printed in the RECORD a detailed background paper on the patent issues relating to Zantac.

The material follows:

BACKGROUND ON THE IMPACT OF GATT PATENT EXTENSIONS ON POTENTIAL AVAILABILITY OF GENERIC ZANTAC® (RANITIDINE HYDROCHLORIDE)

Even if the U.S. had not implemented the General Agreement on Tariffs and Trade (GATT), based on the generic applications submitted to date, no generic form of Zantac could have been legally marketed on December 5, when the basic patent was scheduled to expire prior to the implementation of GATT. Because of other outstanding patent issues with regard to Zantac, it is unclear when a generic form of Zantac will be available, but it will be at least several months and is likely to be after September 1996.

Glaxo Wellcome has two product patents with respect to ranitidine hydrochloride, which exists in two forms, referred to as form 1 and Form 2. All of the Zantac sold by Glaxo Wellcome worldwide has been Form 2. The Form 2 product patent expires on June 4, 2002. It bars the marketing of generic versions of Form 2 or any product that contains Form 2. In September 1993, the validity of the Form 2 patent was upheld in federal district court against a challenge by a generic company. That decision was affirmed on appeal.

The basic patent was scheduled to expire on December 5, 1995, but was changed by the GATT implementing law to July 25, 1997. The basic patent bars the marketing of generic versions of both Form 1 and Form 2. For various reasons it may be more difficult to manufacture Form 1 ranitidine in a pure form in commercial quantities over time. Even when the basic patent expires, before a company can market a generic form 1 ranitidine, they must demonstrate that their Form 1 product is bioequivalent to Zantac and does not violate the remaining Form 2 patent.

The Drug Price Competition and Patent Term Restoration Act of 1984 (Hatch/Waxman Act) provides expedited procedures for generic drugs to enter the market and for the resolution of outstanding patent issues. Under these procedures, a company seeking approval for a generic drug may file an Abbreviated New Drug Application (ANDA) with the FDA. The ANDA must contain one of the following certifications with respect to each relevant patent on the pioneer drug: (I) patent information has not been filed with the FDA, (II) the patent has expired, (III) the patent will expire on a date specified, or (IV) the patent is invalid or won't be infringed.

If the ANDA contains a paragraph III certification listing the patent expiration date, the FDA is precluded from making the ANDA effective prior to that date. If the generic company seeks to market a drug before the expiration of any relevant patents, the ANDA must contain a paragraph IV certification that the patents are invalid or won't be infringed, and the generic company must notify the patent owner. Unless the patent owner sues for infringement within 45 days of being notified, the FDA can approve the ANDA.

If the patent owner does sue within 45 days, FDA cannot make the ANDA effective immediately. To protect generics from undue delay during litigation, the Act provides that the FDA can make the ANDA effective after 30 months from the date the patent holder is notified of the ANDA filing or when there is a final court ruling that the patent is invalid or not infringed, whichever is earlier.

All ANDA applicants seeking to market generic ranitidine hydrochloride prior to 2002 have lawsuits pending against them asserting violations of one or more patents. Because of the 30 month provision, the pending litigation affects the earliest date that ge-

neric ranitidine hydrochloride could be marketed by any of these companies.

Even if the FDA were not precluded by the Hatch/Waxman Act from making ANDAs effective prior to the expiration of the full patent term for brand name drugs, September 1996 is the earliest date under the Hatch/Waxman Act procedures that Form 1 generic ranitidine hydrochloride could be marketed by any of these companies unless there is a final court ruling earlier that the basic patent is invalid or that the generic product does not infringe any Glaxo Wellcome patents.

Because a trial court decision is not considered final if an appeal is taken, it is unlikely that a final court ruling will occur prior to September 1996. In a prior patent infringement case against Novopharm with respect to the validity of the Form 2 patent, the trial court ruled in Glaxo Wellcome's favor in September 1993. Novopharm appealed the same month, but the appeal was not decided for 19 months, in April 1995. The appeals court upheld the earlier decision in favor of Glaxo Wellcome.●

WELFARE 2015

● Mr. MOYNIHAN. Mr. President, since the publication of Michael Young's "The Rise of Meritocracy" in 1957, a book written from the perspective of Great Britain in the year 2034, there has not been so brilliant an exercise in this format than Jason DeParle's "Welfare, End of" in yesterday's New York Times Magazine, looking back from the year 2015. It foresees a social disaster that will follow the repeal of title IV-A of the Social Security Act, Aid to Families with Dependent Children, in this the 104th Congress. Mr. DeParle speculates that President Clinton will look back upon this as one of the greatest regrets of his Presidency.

Mr. President, I ask that the article be printed in the RECORD.

The article follows:

[From the New York Times Magazine, Dec. 17, 1995]

WELFARE, END OF—THE EVENTS THAT LED TO ITS DEMISE IN 1995, AND THE STRIKING CONSEQUENCES IN THE YEARS SINCE.

(By Jason DeParle)

The following interactive encyclopedia entry looks back from the year 2015. References to events before December 1995 are real; subsequent developments may become so all too quickly.

SUMMARY

For 60 years, until 1995, the United States Government ran a social program technically called Aid to Families with Dependent Children, and commonly known as welfare. The program, which provided cash grants to indigent families, was abolished as part of a bipartisan deal that reduced Federal spending and transferred power to state governments. At the time of its demise, welfare was a thoroughly discredited program—often accused of causing long-term poverty rather than helping people survive it.

A handful of critics accurately predicted that ending welfare would bring rising numbers of "street families," just as the closing of mental hospitals had produced "street people" in the 1970's and 80's. But most welfare abolitionists argued that the poor would be better off without the program. They would have been astonished to learn that today, in 2015, the program they reviled as "welfare" is often described nostalgically as

the last thread of the "Federal safety net." This entry summarizes the consequences of abolishing welfare, and the odd political dynamics that led to its end.

THE STATES

Though it grew into a potent symbol of social decay, the A.F.D.C. program was established amid little controversy, as a sidelight of the Social Security Act. It was intended to provide small pensions to indigent widows, instead of placing their children in orphanages. But the program changed during a period of explosive growth in the late 1960's, as millions of never-married women joined the rolls. If the program's public face was once that of a West Virginia miner's widow, it then became that of a young black woman in an urban ghetto. There were about 14 million women and children receiving benefits when the program ended, with the average family of three getting about \$370 a month.

Initially, those who warned of social catastrophe seemed alarmist. In abolishing welfare, Congress gave the states annual lump-sum payments, called block grants, to assist the poor virtually any way they saw fit. The states were barred from aiding families for more than five years, but most set much shorter limits. By later standards, the sizes of the first block grants were generous, and difficult as it is now to imagine, the late 1990's seemed a golden age of state experimentation.

In 1997, Mississippi contracted with church groups to run its relief programs; within a few years the teen-age pregnancy rate dropped 10 percent. Vermont placed a two-year limit on benefits but offered subsidized jobs to those who were still unemployed. Tennessee took a tougher tack, imposing a strict 18-month cutoff with no further aid. But in the late 1990's, Tennessee had a 3 percent unemployment rate, and most mothers found at least part-time work. While millions of poor families still led hand-to-mouth existences, they always had; local control, whatever its problems, was not unambiguously worse.

Then came the 1999 recession. Faced with declining revenues and rising aid requests, states slashed their payments; the mother of two who had received \$370 in 1995 was now getting \$180 a month. With families crossing borders in search of aid, the "race to the bottom" ensued, with each state trying to be as tough as its neighbors. Just months after Texas barred payments to legal immigrants, for instance, the other border states followed. As an entitlement, the old A.F.D.C. system promised, a check to any qualifying family within 45 days; waiting lists now grew as long as two years. As many as a million families who have received aid under the Federal system now received nothing.

Though the economy recovered in subsequent years, state spending did not. As the number of neglected children skyrocketed, the child welfare system snapped. In 1995, there were approximately 460,000 children in foster-care programs; a decade later, the number approached one million. As the numbers grew, the Federal Government began a 10-city experiment to test the performance of orphanages—an idea first broached by former House Speaker Newt Gingrich.

The experiment earned high marks, but Congress balked at its cost. A year at the latter-day Boys' Towns cost more than a year at Harvard, and lawmakers refused to keep financing them.

THE PEOPLE

The end of welfare was accompanied by major cuts in food, housing and medical programs. And it came when the wages of low-skilled workers were already in a free fall because of global competition. So it is not surprising that poor people have seen their

standard of living decline, while their numbers are rapidly increasing. Until 1995, for instance, all poor children in America had health insurance under a program called Medicaid. The successor state programs have largely devoted their resources to the elderly, leaving about half the nation's poor children uninsured.

Not all former recipients have fared poorly. As many as a quarter of the five million A.F.D.C. families found and retained full-time work. For them, the end of welfare worked much as it was intended—as a prompt to greater self-reliance. They received considerable publicity in the late 1990's as welfare abolitionists tried to rebut charges that the cuts had been cruel. A coalition of conservative groups sponsored the "Million Mothers March," a day of speeches and prayer by former recipients to celebrate their new lives. While their earnings remained quite modest—often little more than they had received on welfare—many mothers praised the psychic rewards of serving as "positive role models."

Far more numerous are those in a second category: "cyclers," who have alternated between short-term employment and charitable aid. The cycling phenomenon was first identified in the mid-1980's by researchers at Harvard University who hoped to see expanded Government aid. Part of the cyclers' continuing problem has been economic: whether they work as telemarketers, cosmetologists, cashiers or clerks, they are typically the last hired and first fired.

But even in good times, the chaos of many low-income homes spills onto the job. Broke-down cars, sick relatives and a lack of child care are perennial problems—indeed, a 2007 study by the Children's Defense Fund found that dozens of mothers were arrested each year for locking their children in cars as they worked. Sociologists estimate that since welfare ended, about half the former population has fallen into this pattern of sporadic work with little hope for advancement.

At the same time, about 25 percent of the A.F.D.C. families—that is, more than a million of them—have fallen into utter destitution. The public now sees them lining up at shelters, stealing into abandoned buildings and begging on street corners. At the time of abolition, half the welfare mothers lacked a high-school diploma, and in inner cities as many as one in three had histories of some drug or alcohol abuse; a subsequent study by the Rockefeller Foundation emphasized how many remained deeply disturbed. It found that by 2005, three-fourths of the families entering shelters were those of welfare mothers who had exhausted their lifetime eligibility.

The Rockefeller study, "Repeating Mistakes," compared the 1995 law ending welfare with the 1960's move that deinstitutionalized the mentally ill. Schizophrenics were supposed to find community-based programs; welfare recipients were entrusted to state agencies. In neither case did the local safety net appear. Like the 1980's street people, the homeless families of the early 21st century enjoyed a brief period of Hollywood vogue. Meryl Streep won an Oscar in 2006 for her portrayal of a destitute woman.

But one again, charity chic faded.

The end of welfare also brought unintended consequences in the area of morality. The abolitionists had hoped to spur a return to work, marriage and responsibility. But for some of the poorest women, the loss of aid had the opposite effect. Some became more reliant on abusive boyfriends, and reports of domestic violence rose. Abortion rates hit record levels and so did arrests for prostitution, leading several cities to decriminalize the practice in specified red-light zones.

POLITICS

Antipathy for the dole is as old as the country itself, but it gained a sudden new potency in the mid-1990's, just before the program's demise. Oddly enough, it was President William Jefferson Clinton, a Democrat, who set the new forces into motion. In his 1992 campaign, he famously promised to "end welfare as we know it" by imposing time limits and work requirements. When he later failed to promote his plan, the Republicans pushed his rhetoric to a conclusion he had not envisioned.

Clinton's initial plan for ending welfare had included new training, universal health care and job guarantees. But the actual end meant only that. And a President who had pledged to expand the income and medical security of all Americans wound up presiding over an unprecedented contraction of the safety net.

In his recent memoirs, the ex-President describes his handling of the issue as "one of my greatest regrets." He acknowledges that his party's defeat in the 1994 elections left him reluctant to spend political capital on the welfare poor. His own plan had included the toughest work requirements any President had ever proposed. But by the fall of 1995 Clinton had joined those dismissing it as weak, apologizing in an interview: "I wasn't pleased with it either."

At the same time, Clinton argues in his memoirs that he was genuinely surprised that the subsequent state-based system collapsed so quickly. Throughout 1995 he had looked skeptically at his own aides' predictions that poverty would rise sharply. But the memoirs do recount one moment of doubt. On the day before Thanksgiving 1995, Clinton served dinner at a homeless shelter in Washington, where, as he explained at the time, he was distributed to see that "the fastest growing group of homeless people in our country are young women and their young children."

Looking back 20 years later, Clinton confessed something he did not disclose that day at the shelter. Standing in the serving line, a month before welfare's end, he feared that he had just got a glimpse of America's future. ●

UNANIMOUS-CONSENT AGREEMENT—CONFERENCE REPORT ON H.R. 1530

Mr. MACK. Madam President, I ask unanimous consent that when the Senate resumes consideration of the Defense authorization conference report at 9:30 a.m. on Tuesday, December 19, that there be 3 hours for debate equally divided in the usual form, with the Democratic time in the morning divided as follows:

Senator NUNN, 45 minutes; Senator BYRD, 15 minutes; Senator GLENN, 30 minutes; Senator BRYAN, 15 minutes.

I further ask unanimous consent that at 2:15 p.m., on Tuesday, there be time for the following Senators:

Senator DORGAN, 10 minutes; Senator EXON, 15 minutes; Senator KENNEDY, 5 minutes; Senator LEVIN, 10 minutes; Senator DASCHLE, 10 minutes; Senator THURMOND or his designee, 1 hour.

I further ask that following the disposition of, or yielding back of time, the following Senators have 20 minutes under their control:

Senator LEAHY, Senator THURMOND, Senator NUNN, Senator WARNER.

Further, that upon the use or yielding back of time, the Senate vote, without any intervening action, on adoption of the conference report.

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

IRAN OIL SANCTIONS ACT OF 1995

Mr. MACK. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 280, S. 1228.

The PRESIDING OFFICER. The clerk will state the bill by title.

The bill clerk read as follows:

A bill (S. 1228) to impose sanctions on foreign persons exporting petroleum products, natural gas, or related technology to Iran, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Iran Oil Sanctions Act of 1995".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The efforts of the Government of Iran to acquire weapons of mass destruction and the means to deliver them and its support of international terrorism endanger the national security and foreign policy interests of the United States and those countries with which it shares common strategic and foreign policy objectives.

(2) The objective of preventing the proliferation of weapons of mass destruction and international terrorism through existing multilateral and bilateral initiatives requires additional efforts to deny Iran the financial means to sustain its nuclear, chemical, biological, and missile weapons programs.

SEC. 3. DECLARATION OF POLICY.

The Congress declares that it is the policy of the United States to deny Iran the ability to support international terrorism and to fund the development and acquisition of weapons of mass destruction and the means to deliver them by limiting the development of petroleum resources in Iran.

SEC. 4. IMPOSITION OF SANCTIONS.

(a) IN GENERAL.—Except as provided in subsection (d), the President shall impose one or more of the sanctions described in section 5 on a person subject to this section (in this Act referred to as a "sanctioned person"), if the President determines that the person has, with actual knowledge, on or after the date of enactment of this Act, made an investment of more than \$40,000,000 (or any combination of investments of at least \$10,000,000 each, which in the aggregate exceeds \$40,000,000 in any 12-month period), that significantly and materially contributed to the development of petroleum resources in Iran.

(b) PERSONS AGAINST WHICH THE SANCTIONS ARE TO BE IMPOSED.—The sanctions described in subsection (a) shall be imposed on any person the Secretary determines—

(1) has carried out the activities described in subsection (a);

(2) is a successor entity to that person;

(3) is a person that is a parent or subsidiary of that person if that parent or subsidiary with actual knowledge engaged in the activities which were the basis of that determination; and

(4) is a person that is an affiliate of that person if that affiliate with actual knowledge engaged in the activities which were the basis of that determination and if that affiliate is controlled in fact by that person.

(c) PUBLICATION IN FEDERAL REGISTER.—The President shall cause to be published in the Fed-

eral Register a current list of persons that are subject to sanctions under subsection (a). The President shall remove or add the names of persons to the list published under this subsection as may be necessary.

(d) EXCEPTIONS.—The President shall not be required to apply or maintain the sanctions under subsection (a)—

(1) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose the sanction; or

(2) to medicines, medical supplies, or other humanitarian items.

SEC. 5. DESCRIPTION OF SANCTIONS.

The sanctions to be imposed on a person under section 4(a) are as follows:

(1) EXPORT-IMPORT BANK ASSISTANCE FOR EXPORTS TO SANCTIONED PERSONS.—The President may direct the Export-Import Bank of the United States not to guarantee, insure, extend credit, or participate in the extension of credit in connection with the export of any goods or services to any sanctioned person.

(2) EXPORT SANCTION.—The President may order the United States Government not to issue any specific license and not to grant any other specific permission or authority to export any goods or technology to a sanctioned person under—

(A) the Export Administration Act of 1979;

(B) the Arms Export Control Act;

(C) the Atomic Energy Act of 1954; or

(D) any other statute that requires the prior review and approval of the United States Government as a condition for the exportation of goods and services, or their re-export, to any person designated by the President under section 4(a).

(3) LOANS FROM UNITED STATES FINANCIAL INSTITUTIONS.—The United States Government may prohibit any United States financial institution from making any loan or providing any credit to any sanctioned person in an amount exceeding \$10,000,000 in any 12-month period (or two or more loans of more than \$5,000,000 each in such period) unless such person is engaged in activities to relieve human suffering within the meaning of section 203(b)(2) of the International Emergency Economic Powers Act.

(4) PROHIBITIONS ON FINANCIAL INSTITUTIONS.—The following prohibitions may be imposed against financial institutions sanctioned under section 4(a):

(A) DESIGNATION AS PRIMARY DEALER.—Neither the Board of Governors of the Federal Reserve System nor the Federal Reserve Bank of New York may designate, or permit the continuation of any prior designation of, such financial institution as a primary dealer in United States Government debt instruments.

(B) GOVERNMENT FUNDS.—Such financial institution shall not serve as agent of the United States Government or serve as repository for United States Government funds.

SEC. 6. ADVISORY OPINIONS.

The Secretary of State may, upon the request of any person, issue an advisory opinion, to that person as to whether a proposed activity by that person would subject that person to sanctions under this Act. Any person who relies in good faith on such an advisory opinion which states that the proposed activity would not subject a person to such sanctions, and any person who thereafter engages in such activity, may not be made subject to such sanctions on account of such activity.

SEC. 7. DURATION OF SANCTIONS; PRESIDENTIAL WAIVER.

(a) DELAY OF SANCTIONS.—

(1) CONSULTATIONS.—If the President makes a determination described in section 4(a) with respect to a foreign person, the Congress urges the President to initiate consultations immediately with the government with primary jurisdiction over that foreign person with respect to the imposition of sanctions pursuant to this Act.

(2) ACTIONS BY GOVERNMENT OF JURISDICTION.—In order to pursue such consultations with that government, the President may delay imposition of sanctions pursuant to this Act for up to 90 days. Following such consultations, the President shall immediately impose a sanction or sanctions unless the President determines and certifies to the Congress that the government has taken specific and effective actions, including, as appropriate, the imposition of appropriate penalties, to terminate the involvement of the foreign person in the activities that resulted in the determination by the President pursuant to section 4(a) concerning such person.

(3) ADDITIONAL DELAY IN IMPOSITION OF SANCTIONS.—The President may delay the imposition of sanctions for up to an additional 90 days if the President determines and certifies to the Congress that the government with primary jurisdiction over the foreign person is in the process of taking the actions described in paragraph (2).

(4) REPORT TO CONGRESS.—Not later than 90 days after making a determination under section 4(a), the President shall submit to the Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives a report which shall include information on the status of consultations with the appropriate foreign government under this subsection, and the basis for any determination under paragraph (3).

(b) DURATION OF SANCTIONS.—The requirement to impose sanctions pursuant to section 4(a) shall remain in effect until the President determines that the sanctioned person is no longer engaging in the activity that led to the imposition of sanctions.

(c) PRESIDENTIAL WAIVER.—(1) The President may waive the requirement in section 4(a) to impose a sanction or sanctions on a person in section 4(b), and may waive the continued imposition of a sanction or sanctions under subsection (b) of this section, 15 days after the President determines and so reports to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives that it is important to the national interest of the United States to exercise such waiver authority.

(2) Any such report shall provide a specific and detailed rationale for such determination, including—

(A) a description of the conduct that resulted in the determination;

(B) in the case of a foreign person, an explanation of the efforts to secure the cooperation of the government with primary jurisdiction of the sanctioned person to terminate or, as appropriate, penalize the activities that resulted in the determination;

(C) an estimate as to the significance of the investment to Iran's ability to develop its petroleum resources; and

(D) a statement as to the response of the United States in the event that such person engages in other activities that would be subject to section 4(a).

SEC. 8. TERMINATION OF SANCTIONS.

The sanctions requirement of section 4 shall no longer have force or effect if the President determines and certifies to the appropriate congressional committees that Iran—

(1) has ceased its efforts to design, develop, manufacture, or acquire—

(A) a nuclear explosive device or related materials and technology;

(B) chemical and biological weapons; or

(C) ballistic missiles and ballistic missile launch technology; and

(2) has been removed from the list of state sponsors of international terrorism under section 6(j) of the Export Administration Act of 1979.

SEC. 9. REPORT REQUIRED.

The President shall ensure the continued transmittal to Congress of reports describing—

(1) the nuclear and other military capabilities of Iran, as required by section 601(a) of the Nuclear Non-Proliferation Act of 1978 and section 1607 of the National Defense Authorization Act, Fiscal Year 1993; and

(2) the support provided by Iran for acts of international terrorism, as part of the Department of State's annual report on international terrorism.

SEC. 10. DEFINITIONS.

As used in this Act:

(1) **APPROPRIATE CONGRESSIONAL COMMITTEES.**—The term "appropriate congressional committees" means the Committees on Banking, Housing and Urban Affairs and Foreign Relations of the Senate and the Committees on Banking and Financial Services and International Relations of the House of Representatives.

(2) **FINANCIAL INSTITUTION.**—The term "financial institution" includes—

(A) a depository institution (as defined in section 3(c)(1) of the Federal Deposit Insurance Act), including a branch or agency of a foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978);

(B) a credit union;

(C) a securities firm, including a broker or dealer;

(D) an insurance company, including an agency or underwriter;

(E) any other company that provides financial services; or

(F) any subsidiary of such financial institution.

(3) **INVESTMENT.**—The term "investment" means—

(A) the entry into a contract that includes responsibility for the development of petroleum resources located in Iran, or the entry into a contract providing for the general supervision and guarantee of another person's performance of such a contract;

(B) the purchase of a share of ownership in that development; or

(C) the entry into a contract providing for participation in royalties, earnings, or profits in that development, without regard to the form of the participation.

(4) **PERSON.**—The term "person" means a natural person as well as a corporation, business association, partnership, society, trust, any other nongovernmental entity, organization, or group, and any governmental entity operating as a business enterprise, and any successor of any such entity.

(5) **PETROLEUM RESOURCES.**—The term "petroleum resources" includes petroleum and natural gas resources.

Mr. D'AMATO. Madam President, I rise today to comment on the passage of S. 1228, the Iran Oil Sanctions Act of 1995.

Now, we have a bill with teeth, that will say to those companies that provide investment in Iran's oil and natural gas sectors, "you can trade with us, or trade with them." And more importantly the bill is extraterritorial. This precedent is important because now for the first time, we will be establishing the concept that the economic development of the Iranian regime is a threat to our national security. As I have said many times, this point is vital to understanding the fact that Iran uses its hard currency to fund its aggression. This, in fact, is the primary goal, namely to deprive Iran of the hard currency needed to obtain weapons of mass destruction and to fund its vast terrorist network.

The administration has indicated that it will support this version of the bill and that the President will sign it.

For far too long the United States had been subsidizing Iranian terrorism through our trade with Iran. Following our lead, President Clinton issued an Executive order on May 6, 1995, banning all trade with Iran. Now, the United States no longer is doing business with Iran. Unfortunately, the other nations of the world have failed to join us in this embargo. While Iran is racing to obtain weapons of mass destruction, many other countries of the world are subsidizing them through their development of the Iranian oil fields. This kind of business gives Iran hard currency to fund terrorism and its quest for nuclear weapons.

Undersecretary of State Peter Tarnoff said it best, when at a hearing before this committee he stated:

A straight line links Iran's oil income and its ability to sponsor terrorism, build weapons of mass destruction, and acquire sophisticated armaments. Any government or private company that helps Iran to expand its oil [production] must accept that it is . . . contributing to this menace.

This cannot continue and this is why I and my colleagues introduced S. 1228, which now has 43 cosponsors. I thank them for their support for this important bill.

We can wait no longer. We must put real teeth in our policy of economically isolating and undermining a regime which has embarked on policies of terrorism and aggression that impose a clear and present danger to the vital security interests of our own Nation.

Without such a policy there is no doubt that Iran will continue to get the benefit of doing business with companies that put their own desire for profits ahead of the interests of the international community in preventing Iran from joining the nuclear weapons club and continuing its vast support for terrorist groups. With such a policy, there would be a real chance of convincing Iran that its attempt to acquire weapons of mass destruction and its promotion of international terrorism is entirely counterproductive.

If foreign companies are to understand that they are subsidizing Iranian terrorism they should heed the words of Secretary of State Warren Christopher's statement before the U.N. General Assembly on October 25, 1995, when he stated:

Every dollar that goes into the coffers of a state sponsor of terrorism makes its secret quest for weapons of mass destruction even more alarming. We must stand together to prevent Iran from acquiring such threatening capabilities.

No one could have said it better. I hope that our friends overseas understand this as well, but if they fail to do so, this bill will serve as a reminder.

Mr. SARBANES. Madam President, I rise in support of S. 1228, the Iran Oil Sanctions Act of 1995. This bill would put sanctions on foreign companies that invest in Iran and thereby help that country develop its oil and gas resources. The increased revenue from such enhanced oil production augments

Iran's ability to fund its development of nuclear weapons and its support for international terrorism.

Since the Iranian Revolution in 1979, American administrations with bipartisan congressional support have used economic sanctions to hinder Iran's support for international terrorism and to make it harder for that country to get materials and revenues to strengthen its nuclear and conventional weapons programs.

Earlier this year, just prior to the Banking Committee's March 16 hearing on our country's economic relations with Iran, the committee learned that then existing restrictions on such relations did not prohibit the Conoco Co. from signing a contract with Iran to develop a huge offshore oil field in the Persian Gulf. The Clinton administration immediately announced that while Conoco's actions were not illegal, they were "inconsistent with our policy of brining pressure on Iran, both politically and economically to change its unacceptable behavior." The President then on March 15 issued an Executive order prohibiting United States persons from entering into contracts for the financing or the overall supervision and management of the petroleum resources of Iran.

On May 8, President Clinton issued another Executive order that imposed significant new economic sanctions on Iran, including a prohibition on trading in goods or services of Iranian origin, a ban on exports to Iran, and a ban on new investment or bank loans to Iran. The new prohibitions applied to U.S. persons, wherever they may be, including the foreign branches of U.S. entities.

The Clinton administration also urged other countries to support United States efforts to pressure Iran economically and persuaded our G7 allies to avoid any collaboration with Iran that might help that country develop a nuclear weapons capability. A number of foreign corporations, however, are supporting Iran's efforts to increase its oil and gas production. S. 1228 seeks to persuade such companies from assisting Iran as the latter uses its oil and gas revenues to fund behavior harmful to the international community.

At the Banking Committee's October 11 hearing on S. 1228, Under Secretary of State Tarnoff told the committee that "a straight line links Iran's oil income and its ability to sponsor terrorism, build weapons of mass destruction, and acquire sophisticated armaments." He also told us that the administration was making great efforts to persuade other nations to cooperate with our embargo of Iran. He expressed concerns, however, that we not enact legislation that would make it more difficult to get that cooperation. Chairman D'AMATO assured Under Secretary Tarnoff that he wanted to work with the administration in crafting legislation that would persuade foreign companies to cooperate with our embargo of Iran.

Prior to the December 12 committee markup of S. 1228, Chairman D'AMATO, Senator BOXER, myself, and other members of the committee worked with the administration to develop a bill the administration could endorse. Agreement was reached and on December 12, the committee adopted a substitute version of S. 1228 that President Clinton supports.

It does not target trade but rather new investment contracts that enhance Iran's ability to produce oil and gas. The bill also provides the President the necessary flexibility to determine the best mix of sanctions in a particular case, and to waive the imposition—or continued imposition—of sanctions when he determines it is important to the national interest to do so. In using these authorities, the President is directed to consider factors such as the significance of an investment, the prospects for cooperation with other governments, U.S. international commitments, and the effect of sanctions on U.S. economic interests and regional policies. Finally, S. 1228 authorizes the Secretary of State to provide advisory opinions on whether a proposed activity would be covered to avoid unnecessary uncertainty on the part of companies and friction with allies.

This bill was reported out of committee by a vote of 15-0. It is a bill I support because it will make it more difficult for Iran to fund its efforts to develop weapons of mass destruction and its support for international terrorism. I urge its enactment.

Mr. MACK. Madam President, I ask unanimous consent that the committee amendment be agreed to, the bill be deemed read the third time, passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be placed at the appropriate place in the RECORD.

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

So the committee amendment was agreed to.

So the bill (S. 1228), as amended, was deemed read the third time, and passed.

The title was amended so as to read: "A bill to deter investment in the development of Iran's petroleum resources."

BRUCE R. THOMPSON U.S. COURTHOUSE AND FEDERAL BUILDING DESIGNATION

Mr. MACK. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 256, H.R. 395, a bill to designate a U.S. Courthouse and Federal building in Reno, NV; that the bill be deemed read the third time, passed, and the motion to reconsider be laid upon the table; and further, that any statements relating thereto be placed in the RECORD at the appropriate place as if read.

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

So the bill (H.R. 395) was deemed read the third time, and passed.

STAR PRINT—S. 1468

Mr. MACK. Madam President, I ask unanimous consent that S. 1468, the Peanut Program Improvement Act, introduced by Senator HEFLIN, be star printed to reflect the changes I now send to the desk.

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

VERMONT-NEW HAMPSHIRE INTERSTATE PUBLIC WATER SUPPLY COMPACT

Mr. MACK. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 228, Senate Joint Resolution 38.

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

The clerk will state the joint resolution by title.

The bill clerk read as follows:

A joint resolution (S. J. Res. 38) granting the consent of Congress to the Vermont-New Hampshire Interstate Public Water Supply Compact.

Mr. MACK. I ask unanimous consent that the joint resolution be deemed read the third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the joint resolution be placed at the appropriate place in the RECORD.

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

So the joint resolution (S. J. Res. 38) was deemed read the the third time, and passed, as follows:

S. J. RES. 38

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL CONSENT.

The Congress consents to the Vermont-New Hampshire Interstate Public Water Supply Compact entered into between the States of Vermont and New Hampshire. The compact reads substantially as follows:

"Vermont-New Hampshire Interstate Public Water Supply Compact

"ARTICLE I

"GENERAL PROVISIONS

"(a) STATEMENT OF POLICY.—It is recognized that in certain cases municipalities in Vermont and New Hampshire may, in order to avoid duplication of cost and effort, and in order to take advantage of economies of scale, find it necessary or advisable to enter into agreements whereby joint public water supply facilities are erected and maintained. The States of Vermont and New Hampshire recognize the value of and need for such agreements, and adopt this compact in order to authorize their establishment.

"(b) REQUIREMENT OF CONGRESSIONAL APPROVAL.—This compact shall not become effective until approved by the United States Congress.

"(c) DEFINITIONS.—

"(1) The term 'public water supply facilities' shall mean publicly owned water supply sources, storage, treatment, transmission and distribution facilities, and ancillary facilities regardless of whether or not the same

qualify for Federal or State construction grants-in-aid.

"(2) The term 'municipalities' shall mean cities, towns, village districts, or other incorporated units of local government possessing authority to construct, maintain, and operate public water supply facilities and to raise revenue therefore by bonding and taxation, which may legally impose and collect user charges and impose and enforce regulatory control upon users of public water supply facilities.

"(3) The term 'water supply agency' shall mean the agencies within Vermont and New Hampshire possessing regulating authority over the construction, maintenance, and operation of public water supply facilities and the administration of grants-in-aid from their respective State for the construction of such facilities.

"(4) The term 'governing body' shall mean the legislative body of the municipality, including, in the case of a town, the selectmen or town meeting, and, in the case of a city, the city council, or the board of mayor and aldermen or any similar body in any community not inconsistent with the intent of this definition.

"ARTICLE II

"PROCEDURES AND CONDITIONS GOVERNING INTERGOVERNMENTAL AGREEMENTS

"(a) COOPERATIVE AGREEMENTS AUTHORIZED.—Any two or more municipalities, one or more located in New Hampshire and one or more located in Vermont, may enter into cooperative agreements for the construction, maintenance, and operation of public water supply facilities serving all the municipalities who are parties thereto.

"(b) APPROVAL OF AGREEMENTS.—Any agreement entered into under this compact shall, prior to becoming effective, be approved by the water supply agency of each State, and shall be in a form established jointly by said agencies of both States.

"(c) METHOD OF ADOPTING AGREEMENTS.—Agreements shall be adopted by the governing body of each municipality in accordance with statutory procedures for the adoption of interlocal agreements between municipalities within each State; provided, that before a Vermont municipality may enter into such agreement, the proposed agreement shall be approved by the voters.

"(d) REVIEW AND APPROVAL OF PLANS.—The water supply agency of the State in which any part of a public water supply facility which is proposed under an agreement pursuant to this compact is proposed to be or is located, is hereby authorized and required, to the extent such authority exists under its State law, to review and approve or disapprove all reports, designs, plans, and other engineering documents required to apply for Federal grants-in-aid or grants-in-aid from said agency's State, and to supervise and regulate the planning, design, construction, maintenance, and operation of said part of the facility.

"(e) FEDERAL GRANTS AND FINANCING.—(1) Application for Federal grants-in-aid for the planning, design, and construction of public water supply facilities other than distribution facilities shall be made jointly by the agreeing municipalities, with the amount of the grant attributable to each State's allotment to be based upon the relative total capacity reserves allocated to the municipalities in the respective States determined jointly by the respective State water supply agencies. Each municipality shall be responsible for applying for Federal and State grants for distribution facilities to be located within the municipal boundaries.

"(2) Municipalities are hereby authorized to raise and appropriate revenue for the purpose of contributing pro rata to the planning, design, and construction cost of public

water supply facilities constructed and operated as joint facilities pursuant to this compact.

“(f) CONTENTS OF AGREEMENTS.—Agreements entered into pursuant to this compact shall contain at least the following:

“(1) A system of charges for users of the joint public water supply facilities.

“(2) A uniform set of standards for users of the joint public water supply facilities.

“(3) A provision for the pro rata sharing of operating and maintenance costs based upon the ratio of actual usage as measured by devices installed to gauge such usage with reasonable accuracy.

“(4) A provision establishing a procedure for the arbitration and resolution of disputes.

“(5) A provision establishing a procedure for the carriage of liability insurance, if such insurance is necessary under the laws of either State.

“(6) A provision establishing a procedure for the modification of the agreement.

“(7) A provision establishing a procedure for the adoption of regulations for the use, operation, and maintenance of the public water supply facilities.

“(8) A provision setting forth the means by which the municipality that does not own the joint public water supply facility will pay the other municipality its share of the maintenance and operating costs of said facility.

“(g) APPLICABILITY OF STATE LAWS.—Cooperative agreements entered into by municipalities under this compact shall be consistent with, and shall not supersede, the laws of the State in which each municipality is located. Notwithstanding any provision of this compact, actions taken by a municipality pursuant to this compact, or pursuant to an agreement entered into under this compact, including the incurring of obligations or the raising and appropriating of revenue, shall be valid only if taken in accordance with the laws of the State in which such municipality is located.

“CONSTRUCTION

“Nothing in this compact shall be construed to authorize the establishment of interstate districts, authorities, or any other new governmental or quasi-governmental entity.

“ARTICLE III

“EFFECTIVE DATE

“This compact shall become effective when ratified by the States of Vermont and New Hampshire and approved by the United States Congress.”.

SEC. 2. RIGHT TO ALTER, AMEND, OR REPEAL.

The right to alter, amend, or repeal this joint resolution is hereby expressly reserved. The consent granted by this joint resolution shall not be construed as impairing or in any manner affecting any right or jurisdiction of the United States in and over the region which forms the subject of the compact.

SEC. 3. CONSTRUCTION AND SEVERABILITY.

It is intended that the provisions of this compact shall be reasonably and liberally construed to effectuate the purposes thereof. If any part or application of this compact, or legislation enabling the compact, is held invalid, the remainder of the compact or its application to other situations or persons shall not be affected.

SEC. 4. INCONSISTENCY OF LANGUAGE.

The validity of this compact shall not be affected by any insubstantial difference in its form or language as adopted by the two States.

ORDERS FOR TUESDAY, DECEMBER 19, 1995

Mr. MACK. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. on Tuesday, December 19; that following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the DOD authorization conference report as under the previous order.

I further ask unanimous consent that the Senate stand in recess between the hours of 12:30 p.m. and 2:15 p.m. for the weekly policy conferences to meet.

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

PROGRAM

Mr. MACK. Madam President, for the information of all Senators, under the unanimous-consent agreement if all debate is used, a rollcall vote will occur on the adoption of the DOD authorization conference report at approximately 5:25 tomorrow. We are also hoping that we will be able to proceed to the consideration of the Labor-HHS appropriations bill; if not, a cloture vote is still scheduled at a time to be determined by the two leaders on tomorrow. It may be the intention of the majority leader to further postpone that cloture vote.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. MACK. Madam President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:40 p.m., adjourned until Tuesday, December 19, 1995, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate December 18, 1995:

NATIONAL TRANSPORTATION SAFETY BOARD

GEORGE W. BLACK, JR., OF GEORGIA, TO BE A MEMBER OF THE NATIONAL TRANSPORTATION SAFETY BOARD FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 31, 1996, VICE CARL W. VOGT, RESIGNED.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

PATRICK DAVIDSON, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 2000, VICE MEL HARRIS, TERM EXPIRED.

TOWNSEND D. WOLFE III, OF ARKANSAS, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 2000, VICE EARL ROGER MANDLE, TERM EXPIRED.

DEPARTMENT OF LABOR

PASCAL D. FORGIONE, JR., OF DELAWARE, TO BE COMMISSIONER OF EDUCATION STATISTICS FOR A TERM EXPIRING JUNE 21, 1999, VICE EMERSON J. ELLIOTT.

NATIONAL LABOR RELATIONS BOARD

SARAH MCCracken FOX, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR

THE TERM OF 5 YEARS EXPIRING AUGUST 27, 2000, VICE JAMES M. STEPHENS, TERM EXPIRED.

THE JUDICIARY

ROBERT E. MORIN, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF 15 YEARS, VICE CURTIS E. VON KANN, RETIRED.

DEPARTMENT OF DEFENSE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT AS VICE CHAIRMAN OF THE JOINT CHIEFS OF STAFF AND REAPPOINTMENT TO THE GRADE OF GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 154:

VICE CHAIRMAN OF THE JOINT CHIEFS OF STAFF

To be general

GEN. JOSEPH W. RALSTON, 000-00-0000, U.S. AIR FORCE.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

LT. GEN. EUGENE E. HABIGER, 000-00-0000, U.S. AIR FORCE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be general

LT. GEN. HENRY H. SHELTON, 000-00-0000, U.S. ARMY

IN THE NAVY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST OF THE U.S. NAVY IN THE GRADE INDICATED UNDER SECTION 1370 OF TITLE 10, UNITED STATES CODE:

To be admiral

ADM. WILLIAM A. OWENS, 000-00-0000.

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 12203(A), 3366, AND 1552:

ARMY PROMOTION LIST

To be lieutenant colonel

WILLIAM HAYES REGAN, 000-00-0000
RICHARD A. MEITZLER, 000-00-0000
STEPHEN S. SIBERT, 000-00-0000
JON O. VESTRE, 000-00-0000
RICHARD C. WELLS, 000-00-0000
DORIS J. WILLIAMS, 000-00-0000
STEPHANIE WOODARD, 000-00-0000

ARMY NURSE CORPS

To be lieutenant colonel

MARY A. SPENCER, 000-00-0000

DENTAL CORPS

To be lieutenant colonel

THORNTON T. PERRY, 000-00-0000

MEDICAL CORPS

To be lieutenant colonel

HAROLD L. MARTIN, 000-00-0000

MEDICAL SERVICE CORPS

To be lieutenant colonel

JAMES M. BAKER, 000-00-0000

THE FOLLOWING-NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 12203 AND 3385:

ARMY PROMOTION LIST

To be colonel

MICHAEL C. APPE, 000-00-0000
JAMES M. HOWER, JR., 000-00-0000
PAUL G. JARRETT, 000-00-0000
LEVI H. PERRY, 000-00-0000
JAMES E. PYNE, 000-00-0000
WILLIAM L. ZIEBER, 000-00-0000

ARMY PROMOTION LIST

To be lieutenant colonel

HERBERT J. ANDRADE, 000-00-0000
JAMES W. BLAKE, JR., 000-00-0000
ROBERT D. BLOMQUIST, 000-00-0000
DAVID C. BOOKMAN, 000-00-0000
TERRY L. BORTZ, 000-00-0000
JAMES J. CAPOREZZO III, 000-00-0000
JOHN E. DAVOREN, 000-00-0000
THOMAS D. DEAN, 000-00-0000
KENT J. DURING, 000-00-0000
SAMUEL L. FERGUSON, 000-00-0000

STEVEN D. FORREY, 000-00-0000
 JOHN A. GOODALE, 000-00-0000
 WAYNE M. HAYES, 000-00-0000
 STEPHEN J. HINES, 000-00-0000
 MORRIS E. MCCOSKEY, 000-00-0000
 ROY T. MUCCURCHEON III, 000-00-0000
 ROBERT K. MILLER, JR., 000-00-0000
 STANFORD T. MULLEN, JR., 000-00-0000
 MARION Y. PETERSEN, 000-00-0000
 GERALD M. ROTTINGHAUS, 000-00-0000
 THOMAS W. SHEA, 000-00-0000
 WILLIAM F. SIMON, 000-00-0000
 PATRICK T. SMITH, 000-00-0000
 STANLEY P. SYMAN, 000-00-0000
 ROBERT W. TROWER, 000-00-0000
 STEPHEN C. TRUESDELL, 000-00-0000
 ROBERT F. WARD, 000-00-0000
 MARTIN E. WEAVER, 000-00-0000
 BARRY G. WRIGHT, 000-00-0000

CHAPLAIN CORPS

To be lieutenant colonel

JAMES E. NORTON, 000-00-0000

MEDICAL CORPS

To be lieutenant colonel

DONNIE J. HOLDEN, 000-00-0000

MEDICAL SERVICE CORPS

To be lieutenant colonel

JANET M. HARRINGTON, 000-00-0000

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR PROMOTION TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE, UNDER THE PROVISIONS OF SECTION 307, TITLE 32, UNITED STATES CODE, AND SECTIONS 8363 AND 593, TITLE 10, UNITED STATES CODE.

LINE OF THE AIR FORCE

To be colonel

DWAYNE A. ALONS, 000-00-0000
 CLAYTON B. ANDERSON, 000-00-0000
 DANIEL P. ANDERSON, 000-00-0000
 RALPH P. ANDERSON, 000-00-0000
 LARRY T. BERGERSON, 000-00-0000
 WILLIAM E. BONNELL, 000-00-0000
 GEORGE W. BOWEN, 000-00-0000
 JOHN T. BRAGG, JR., 000-00-0000
 RONALD W. BROWN, 000-00-0000
 JOHN H. BUBAR, 000-00-0000
 GEORGE J. CANNELOS, 000-00-0000
 WAYNE R. CARLSON, 000-00-0000
 JOSEPH C. CARR, 000-00-0000
 MARK S. CHMAR, 000-00-0000
 WILLIAM A. CHRISTIAN, 000-00-0000
 BERNARD E. COX, JR., 000-00-0000
 JOHN G. COZAD, 000-00-0000
 WILLARD G. DELICKER, 000-00-0000
 ROLAND S. DODSON, 000-00-0000
 DONALD L. EBY, 000-00-0000
 KENNETH M. EXLINE, 000-00-0000
 EDWARD C. FACER, 000-00-0000
 EDWARD L. FACER, 000-00-0000
 RONALD R. FRAZEE, 000-00-0000
 ROBERT R. FREDRICK, 000-00-0000
 CLAUDE R. FRICK, 000-00-0000
 ROBERT H. HARKINS III, 000-00-0000
 LAWRENCE G. HARRINGTON, 000-00-0000
 CHARLES L. HARRISON, 000-00-0000
 JACK S. HILL, 000-00-0000
 THOMAS C. HRUBY, 000-00-0000
 JAMES D. JACOBSON, 000-00-0000
 MARY E. JEFFRIES, 000-00-0000
 THOMAS J. KELLEY, 000-00-0000
 WARREN D. KRISSE, 000-00-0000
 KARL J. KROENER, 000-00-0000
 PHIL P. LEVENTIS, 000-00-0000
 GEORGE T. LYNN, 000-00-0000
 THOMAS J. MADIGAN, 000-00-0000
 JAMES D. MARLOWE, 000-00-0000
 DARRELL W. MCCARDLE, 000-00-0000
 JAMES D. MCENTIRE, 000-00-0000
 BRIAN J. MCGARRY, 000-00-0000
 JAMES A. MCGURRY, 000-00-0000
 MARVIN G. MEIGGS, JR., 000-00-0000
 MARK P. MEYER, 000-00-0000
 ROBERT A. MEYER, 000-00-0000
 THOMAS A. MILLER, 000-00-0000
 ROBERT J. MURPHY, 000-00-0000
 CHARLES V. NEALY, JR., 000-00-0000
 LEONARD OLSON, JR., 000-00-0000
 LARRY G. OREAR, 000-00-0000
 ALAN J. OSE, 000-00-0000
 THOMAS G. PALKIE, 000-00-0000
 WENDELL W. FARMER, 000-00-0000
 SEITH E. PERELMAN, 000-00-0000
 WILLIAM C. PETTIT, JR., 000-00-0000
 DAVID G. PHILLIPS, JR., 000-00-0000
 MARION G. PRITCHARD, JR., 000-00-0000
 GENE L. RAMSAY, 000-00-0000
 ROBERT F. RAUSCHER, 000-00-0000
 JOHN D. RICE, 000-00-0000
 THOMAS O. SHERMAN, 000-00-0000
 MICHAEL J. SHERMAN, 000-00-0000
 RONALD E. SHOOPMAN, 000-00-0000
 DANNY R. SMITH, 000-00-0000
 GERALD K. STAUDTE, 000-00-0000
 DAVID V. SWEGART, 000-00-0000
 JOSEPH M. SWOPE, 000-00-0000
 PHILIP A. TENNANT, 000-00-0000
 JOSEPH C. THOMAS, 000-00-0000

GERALD G. THOMPSON, 000-00-0000
 RICHARD G. TUCKER, 000-00-0000
 ARBIE TURNER, JR., 000-00-0000
 FRANK D. TUTOR, 000-00-0000
 CHARLES D. UNDERWOOD, JR., 000-00-0000
 DANIEL L. WATKINS, 000-00-0000
 ROBERT H. WILLIAMS III, 000-00-0000

DENTAL CORPS

To be colonel

MICHAEL W. BERTZ, 000-00-0000
 FRANK W. BRUMFIELD, 000-00-0000

JUDGE ADVOCATE

To be colonel

BRUCE S. ASAY, 000-00-0000
 JERALD L. ENGELMAN, 000-00-0000
 GARY L. JEWEL, 000-00-0000
 DONALD A. LABAR, 000-00-0000
 GEORGE M. MITCHELL, JR., 000-00-0000
 THOMAS R. ROBINSON, 000-00-0000

MEDICAL CORPS

To be colonel

RAYMOND BRUNO, 000-00-0000
 JAIME H. CERCONI, 000-00-0000
 RANDALL M. FALK, 000-00-0000
 ARTHUR N. FOKAKIS, 000-00-0000
 RONNIE J. KIRSCHLING, 000-00-0000
 JOHN P. MCGOFF, 000-00-0000
 PETER J. MCKENNA, 000-00-0000
 JOHN D. OWEN, 000-00-0000

NURSE CORPS

To be colonel

BARBARA J. NELSON, 000-00-0000

MEDICAL SERVICE

To be colonel

DAVID L. SMITH, 000-00-0000
 MYRON L. TONG, 000-00-0000

BIO-MED CORPS

To be colonel

FRANCIS K. MANUEL, 000-00-0000

THE FOLLOWING NAMED OFFICERS FOR PROMOTION IN THE U.S. AIR FORCE, UNDER THE APPROPRIATE PROVISIONS OF SECTION 624, TITLE 10, UNITED STATES CODE, AS AMENDED, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

LINE

To be colonel

JAMES M. ABEL, JR., 000-00-0000
 JEFFREY W. ACKERSON, 000-00-0000
 MICHAEL D. ACRES, 000-00-0000
 GERALD G. ADAIR, 000-00-0000
 RICHARD A. ADAMS, 000-00-0000
 GARY L. ALBAUGH, 000-00-0000
 RICKY R. ALES, 000-00-0000
 SALVATORE ALFANO, 000-00-0000
 CHARLES T. ALLAN, 000-00-0000
 LAVON ALSTON, 000-00-0000
 JOSEPH H. AMEND III, 000-00-0000
 EDWARD M. ANDERSON, JR., 000-00-0000
 HERMAN S. ANDERSON, 000-00-0000
 MICHAEL G. ANDERSON, 000-00-0000
 JOHN M. ANDREW, 000-00-0000
 DAVID A. ANHALT, 000-00-0000
 JOHN A. ARSENAULT, 000-00-0000
 THOMAS R. ASHMAN, 000-00-0000
 HENRY D. BAIRD, JR., 000-00-0000
 ALLEN D. BAKER, 000-00-0000
 CAREY BALDWIN, 000-00-0000
 ROSSER J. BALDWIN, JR., 000-00-0000
 DENNIS A. BALKHAH, 000-00-0000
 JON R. BALL, 000-00-0000
 MURRAY J. BALL, 000-00-0000
 DENNIS F. BALLOC, 000-00-0000
 STEVEN E. BARACH, 000-00-0000
 WILLIAM J. BARATTINO, 000-00-0000
 DENNIS L. BARNETT, 000-00-0000
 GARY E. BARRENTINE, 000-00-0000
 MARK D. BARTELS, 000-00-0000
 MICHAEL W. BARTLETT, 000-00-0000
 CHARLES S. BATEMAN, 000-00-0000
 WILLIAM L. BATESON, 000-00-0000
 HAROLD J. BEATSON, 000-00-0000
 LARRY D. BEAVER, 000-00-0000
 WILLIAM J. BECK, JR., 000-00-0000
 LORETTA A. BEHRENS, 000-00-0000
 ROBERT A. BELKOWSKI, JR., 000-00-0000
 DAVID P. BENTLEY, 000-00-0000
 JERRY M. BERGSTRESSER, 000-00-0000
 GREGORY J. BERLAN, 000-00-0000
 DAVID J. BERTHOFF, 000-00-0000
 MICHAEL J. BILLINGS, 000-00-0000
 DENNIS F. BITTON, 000-00-0000
 NORMAN A. BLACK III, 000-00-0000
 JACK L. BLACKHURST, 000-00-0000
 ROBERT J. BLUNDEN, JR., 000-00-0000
 TODD A. BODENHAMER, 000-00-0000
 JOHN H. BONAPART, JR., 000-00-0000
 MICHAEL W. BOENEN, 000-00-0000
 STEPHEN W. BOUDREAUX, 000-00-0000
 BYARD B. BOWER, 000-00-0000
 RICHARD E. BOWMAN, 000-00-0000
 STEVEN C. BOYCE, 000-00-0000
 LOWELL R. BOYD, JR., 000-00-0000
 EDWARD J. BOYLE, 000-00-0000
 DONMICHAEL BRADFORD, 000-00-0000
 CHARLES T. BRADLEY, 000-00-0000
 JOEL C. BRADSHAW III, 000-00-0000
 GLEN L. BRADY, 000-00-0000
 RICHARD P. BRAID, 000-00-0000
 PHILIP M. BREDELLOVE, 000-00-0000
 LANCE C. BRENDEL, 000-00-0000
 WORTHY O. BRISCO, JR., 000-00-0000
 NORMAN R. BRISCOE, 000-00-0000
 JOHN C. BROCKMAN, 000-00-0000
 KENNETH L. BROCKWAY, 000-00-0000
 LEONARD C. BROLINE, 000-00-0000
 PHILIP N. BROWN, 000-00-0000
 THOMAS H. BUCHANAN, 000-00-0000
 LARRY A. BUCKINGHAM, 000-00-0000
 PETER J. BUNCE, 000-00-0000
 EDWYNN L. BURCKLE, 000-00-0000
 WALTER L. BURNS, 000-00-0000
 NAPOLEON B. BYARS, 000-00-0000
 MICHAEL B. BYERS, 000-00-0000
 DAVID J. BYNUM, 000-00-0000
 ROBERT H. BYZEWSKI, 000-00-0000
 MIKE CALVERT, 000-00-0000
 CHRISTOPHER M. CAMPBELL, 000-00-0000
 WILLIAM R. CANDA, 000-00-0000
 DENNIS C. CAREL, 000-00-0000
 CORNELIUS J. CARMODY, 000-00-0000
 JOHN M. CARTER, JR., 000-00-0000
 PAMELA D. CARTER, 000-00-0000
 RONALD F. CASEY, 000-00-0000
 GARRY L. CASTELLI, 000-00-0000
 DENNIS D. CAVIT, 000-00-0000
 RICARDO M. CAZESSUS, 000-00-0000
 PATRICK S. CHARTERS, 000-00-0000
 DENNIS L. CHERRY, 000-00-0000
 HENRY CHILDS, 000-00-0000
 BARRY J. CHISHOLM, 000-00-0000
 JOHN L. CIRAPICCI, 000-00-0000
 BONNIE CASSIDY CIRINCIONE, 000-00-0000
 FRED P. CLARK, 000-00-0000
 JAMES G. CLARK, 000-00-0000
 WILLIAM C. CLARK, 000-00-0000
 RICHARD C. CLAYTON, 000-00-0000
 RICHARD H. CLEAVELAND, 000-00-0000
 WILLIAM A. CLEFT, JR., 000-00-0000
 KATHLEEN D. CLOSE, 000-00-0000
 JAMES A. COLLEY II, 000-00-0000
 MICHAEL S. COMAN, 000-00-0000
 RAYMOND E. CONLEY, 000-00-0000
 NORRIS L. CONNELLY, 000-00-0000
 GARY S. CONNOR, 000-00-0000
 DANIEL P. CONROY, 000-00-0000
 MICHAEL J. COOK, 000-00-0000
 WYATT C. COOK, 000-00-0000
 WALTER J. COOKNER, JR., 000-00-0000
 PAUL D. COPP, 000-00-0000
 GARY L. COPSEY, 000-00-0000
 EUGENE A. CORELL, 000-00-0000
 ROBERT C. COSAND, 000-00-0000
 DANIEL W. COSTANTINI, 000-00-0000
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 JIMMIE M. SMITH, 000-00-0000
 DOLORES M. H. TURNER, 000-00-0000

MEDICAL SERVICE CORPS

To be colonel

DEBRA A. CERHA, 000-00-0000
 MICHAEL J. FITZWATER, 000-00-0000
 JAMES F. GEIGER, 000-00-0000
 STEPHAN A. GIESECKE, 000-00-0000
 BRUCE P. HESELTINE, 000-00-0000
 ANDREW F. LOVE, 000-00-0000
 STEPHEN L. MEIGS, 000-00-0000
 MICKEY J. MELTON, 000-00-0000
 PAUL W. NICE, 000-00-0000
 RICHARD D. PLEASANTS, 000-00-0000
 JONATHAN S. STAPLEY, 000-00-0000

BIOMEDICAL SCIENCES CORPS

To be colonel

PAULA A. BLOCK, 000-00-0000
 WILLIAM G. CARGILL, 000-00-0000
 THERESA M. CASEY, 000-00-0000
 ROBERT J. MCKENNA, 000-00-0000
 JESSE D. S. MORGAN, JR., 000-00-0000
 SUELLYN W. NOVAK, 000-00-0000
 MELVIN R. ONEAL, 000-00-0000
 DEBORAH S. PAGE, 000-00-0000
 DAVID L. POTTS, 000-00-0000
 PAUL T. RAY, 000-00-0000
 BENIGNO SIERRAIRIZARRY, 000-00-0000
 WILLIAM C. TWEEDIE, 000-00-0000
 ROBERT L. WILLIAMS, 000-00-0000