United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, SECOND SESSION

Vol. 142 WASHINGTON, THURSDAY, MAY 23, 1996 No. 74

House of Representatives

The House met at 9 a.m. and was called to order by the Speaker pro tempore [Mr. WALKER].

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
May 23, 1996.

I hereby designate the Honorable ROBERT S. WALKER to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

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

When we contemplate the wondrous gifts that we have received from Your hand, O God, and marvel in the ways that Your spirit makes us whole, we know that we are not adequate to return the blessing to You. Yet, O gracious God, we understand that in a spirit of thankfulness, we can celebrate Your love to us by serving those about us with deeds of justice and acts of mercy. May we clearly see that in assisting others in their concerns and leading in the ways of security and peace for every person, we are serving You, our God, our Creator, and Redeemer. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New York [Mr. SCHUMER] come forward and lead the House in the Pledge of Allegiance.

Mr. SCHUMER led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE PRESIDENT

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

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair announces that 1-minutes will be held after the close of legislative business on this day.

EMPLOYEE COMMUTING FLEXIBILITY ACT OF 1996

The SPEAKER pro tempore. The unfinished business is the further consideration of the bill (H.R. 1227) to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer owned vehicles.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the order of the House of Wednesday, May 22, 1996, 1 hour of debate remains on the bill. The gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from Missouri [Mr. CLAY] will each control 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GOODLING].

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

Since our gentle debate has strayed from the base bill, which is what we were supposed to be debating for these 90 minutes, I suppose I will join the crew and stray also.

I would say that from what I have heard thus far, it would appear that we are following the big lie phenomena: ''If you tell the big lie enough times, you will eventually begin to believe it yourself.'' And then, ''If you tell it some more, you eventually get others to believe it.''

If we have agreed, or do by the time the day is over, that we should increase the minimum wage, then it seems to me it is time to turn our attention to the whole idea of job loss and what that problem presents to the most vulnerable, the unskilled, the poorly educated, the teens, and the senior citizens.

Now, that gets us to the big lie issue, because we will hear over and over again that raising the minimum wage does not cause unemployment or does not remove the possibility that people with few skills and little education have when they try to get a job. But yet we are told by the Congressional Budget Office that a 90-cent increase could produce unemployment losses from 100,000 to 500,000 people.

A 1995 study by the University of Michigan and an economist there revealed that New Jersey's minimum wage increase led to a 4.6-percent reduction in employment.

A 1995 report from the University of Chicago and Texas A&M University found that with the last increase in the minimum wage, employment of teenage males fell 5 percent while employment of teenage women fell 7 percent.

In 1978, the Minimum Wage Study Commission determined that for every 10 percent increase in the minimum wage, it results in a 1- to 3-percent job loss for teenagers.

A 1995 study by economists from Ohio University found a link between the

Printed on recycled paper containing 100% post consumer waste

minimum wage increases and the recessions of 1990–91 and 1974–75. Further, the study determined that higher unemployment rates during the recession of 1990–91 and 1974–75 explained why, over the past two decades, the poverty rate rose in the year after the completion of each minimum wage increase.

So, again, I think it is time to stop indicating that there are no problems for thousands of people in this country when we talk about a minimum wage increase.

So what do we do about that? Well, we do the same thing we have done every time we have had a minimum wage increase, we go back and do what we can possibly do to make sure that those, in this case, 100,000 to 500,000, are not without employment. And so we look at those ways, as we did in the past.

In the past we had a small business exemption. Well, when we talk about a small business exemption we have to understand that every other major workplace policy statute contains an exemption for our Nation's smallest business. Consider the Civil Rights Act of 1964. It exempts businesses with less than 15 employees. The Americans With Disabilities Act exempts businesses with less than 15 employees. The Family and Medical Leave Act exempts those with less than 50 employees.

The overwhelming majority of businesses who have $500,000 or less in gross annual sales have 10 or less employees. They are a ma-and-pa program. Virtually every Democrat Member of the House have supported exemptions for our Nation's smallest businesses from a wide variety of labor statutes. Remember ADA, FMLA and the Civil Rights Act?

Again, providing an exemption for small business is not a new concept, many of its opponents today have supported that concept in the past. So we look at that as one possibility to help those who may be unemployed because of the increase.

We continue the tip credit provision which is in the present law; we continue the present laws that relate to computer professionals; and we reinstitute the opportunity wage, but this time we limit it to 90 days; calendar days. We do not have two periods of 60 working days.

So I would hope as we proceed today that we spend a great deal of time talking about facts rather than fantasies, and by the time we are finished, hopefully, we will have helped all Americans, including that 100,000 to 500,000 that could find themselves in real difficulty if we do not make some of the decisions that we have made in the past when dealing with minimum wage increases.

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

Mr. CLAY. Mr. Speaker, I yield 2½ minutes to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, I thank the gentleman from Missouri for yielding me this time, and I rise to oppose strongly the Goodling amendment and to talk about its effect on the underlying bill.

Today we were supposed to vote on a bill to increase the minimum wage by 90 cents and to pay working families a living wage. We were going to raise the minimum wage from its lowest level in 40 years. And what do the American people wake to this morning? The Goodling surprise, an amendment which says that any business with annual sales of under $500,000 is exempted from the Fair Labor Standards Act.

In other words, if an individual happens to be one of the 10.5 million Americans who work in these small businesses, they do not have to get paid overtime; they do not earn the minimum wage. Not the old one or the new one.

In my region, the New York City metropolitan area, over 130,000 businesses will be exempt from fair labor laws and 200,000 workers will be left unprotected.

The minimum wage vote should be called the Gingrich two-step. Take one step forward by raising the minimum wage for some people, take two giant steps back by exempting millions from overtime and minimum wage laws all together.

Why must the GOP continue to gratuitously slap American workers? Why did they break their promise to offer a clean minimum wage increase? The only answer must be, as the gentleman from Texas, Majority Leader DICK ARMEY, stated, that they oppose the minimum wage with every fiber in their being, and they will raise it but they will exact their pound of flesh from American workers.

This mean-spirited assault on those who work every day and barely eke out a living wage is horrid. These people work in textiles, in retail, on farms. They work hard, they deserve a raise, not to be punished because the gentleman from Georgia, NEWT GINGRICH, will do anything to keep minimum wage from happening.

Now, if the Goodling amendment passes, the President, thankfully, has said he will veto the bill, and I am sure there is a little nefarious plan out here: Goodling will pass, the President vetoes the bill, nothing happens, and the Republicans say we have tried.

But let me assure my coleagues that from this side of the aisle, until there is a minimum wage increase for all Americans, not one out of two or one out of three, we will be on this floor every week and every month to make sure that the minimum wage passes. The Republicans cannot and will not avoid a clean minimum wage increase with this kind of cheap trick.

Mr. GOODLING. Mr. Speaker, I would remind the gentleman from New York that unless we make some changes, New York will face a loss of 29,000 jobs.

Mr. Speaker, I yield 5 minutes to the gentleman from Arkansas, Congressman HUTCHINSON.

Mr. HUTCHINSON. Mr. Speaker, I just wonder where all of this passion was 2 years ago when Democrats controlled this Chamber, controlled the other Chamber and controlled the White House. Not once, not once, was a minimum wage proposal brought up before the full House, before a committee, or before a subcommittee. What we are seeing now is rhetoric. What we are seeing is election year politics.

I rise to oppose increasing the minimum wage, not because I do not want to help working Americans, but because I do want to help them. We know, we know, that raising the minimum wage will kill jobs. It will take opportunities away from those who we claim we want to help the most.

I point to Melody Rane and her family who own two Burger King franchises in Eureka, CA. A minimum wage hike will force her to lay off four full-time and eight part-time workers at her stores. She will also be forced to raise her prices, which will hurt everyone, especially the working poor, whom we claim that we have compassion for.

According to Melody, raising the minimum wage will hurt teens more than anyone else she employs because she will no longer be able to provide entry-level jobs for them. The young people that she has hired have not stayed on at minimum wage for very long. They learn their jobs and they move up quickly. All her managers started at minimum wage and her top manager today has been with them since he was 16 years old.

We know that raising the minimum wage is a job killer on the most vulnerable people in our society. A 1993 study by the American Economics Association of over 22,000 economists found that 77 percent of them said that if we raise the minimum wage, there will be significant job loss in our economy.

We know it is inflationary, because if they do not lay them off, they have to raise the price of their goods and services, and that disproportionately impacts poor people who are going to have to pay more for those products that they buy.

Raising the minimum wage is the poorest way to target working poor people. The last time we raised the minimum wage, in 1991, only 17 percent of the new benefits went to people living below the poverty line. Most of them are teenagers living at home with mom and dad. Only 17 percent went to those who are working poor.

Now, I suggest to my colleagues that there is a better way. If we really care about working poor people, there is a better way to do it. I propose that we reform and we refocus and we retarget the earned income tax credit, a program that has enjoyed support from the 1970's on from both sides of the aisle.

□ 0915

This time from GINGRICH to GEPHARDT, they support EITC, but the program is fraught with abuse. It has

grown far beyond its original intentions. If we refocus it, as I have proposed, back on working families with children, we can help them in a better way than the negative impacts of raising the minimum wage. Convert that large lump sum to a monthly payment so it is a practical supplement for family income. Deny the credit to undocumented workers, eliminate the credit for childless adults who never were eligible until 1993 when we expanded it, and then increase that credit for working parents, who it was intended to help in the first place.

That single mom with one child, those parents with one child would see their effective wage rate go to $5.47 an hour under that proposal. With two children it would go to $6.37 an hour, and 12.7 million families would be the beneficiaries of such a change.

This is what happens when we raise the minimum wage by 9 cents: 21 cents is lost in reduced food stamp benefits; 8 cents is lost because we pay that much more in FICA withholding. If they happen to live in public housing, they lose 27 cents more to that. That leaves that working poor person that you claim you want to help getting 34 cents out of the 90-cent increase in the minimum wage. That is not compassion. If we retarget the earned income tax credit we will help more Americans and help them at 44 cents an hour.

Do not talk about compassion until you are willing to look at good alternatives, and Republicans have put forward good alternatives, compassionate alternatives. Not only that, they lose more on the EITC as well. It is simply not real compassion to say we want to raise the minimum wage.

Everybody talks about the polls. What is the politically popular thing to do. That is why this thing is before the floor today. That is why Democrats want to raise the minimum wage when they did not do it 2 years ago when they had a chance. It is because we have an election in November.

It is interesting that CNN–USA, in the latest poll, found that while 81 percent of Americans want to raise the minimum wage, that if you go one step further and you ask this question: If you favor raising the minimum wage, what if that raise in wages meant fewer jobs for low-paid workers, and all of a sudden 57 percent of those 81 percent say no, we do not want to raise the minimum wage if it is going to mean a loss of jobs for low-wage earners.

I suggest to those on the other side of the aisle who are so insistent on raising the minimum wage, knowing that CBO says it will cost a half-million jobs, that you come back to my district and explain to that single mom with two children why she loses her job in the name of compassion.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I appreciate the passion of the gentleman who was just in the well, who now tells us what we should do is target the earned income tax credit, when a year ago he was leading the fight to slash the earned income tax credit. I appreciate the passion of the gentleman in the well for the family in Eureka example. It is the Congressman from Eureka that is carrying the minimum wage increase so their representative apparently believes that the minimum wage should be increased, the Republican gentleman from Eureka, CA [Mr. RIGGS].

I appreciate the passion of the gentleman suggesting that what the taxpayer ought to do is pay out more money in food stamps, more money in housing, more money in EITC, more money in AFDC to subsidize low wage jobs. He does not want the employer to pay for people to have a livable wage because now he is concerned if the employer pays more money, the taxpayer will pay less. The gentleman is all over the field on these issues. You wanted to slash food stamps. You want to slash AFDC. You wanted to slash the earned income tax credit. But today you want to talk about how it would be better if we paid those moneys instead of the employer paying a livable wage.

Mr. GOODLING. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas [Mr. HUTCHINSON], a compassionate individual.

Mr. HUTCHINSON. Mr. Speaker, I would just suggest to the impassioned gentleman that I, in fact, did not lead the charge, as you have wrongly, inaccurately alleged to cut EITC. In fact, if you check the facts, I was involved in the conference committee. I was involved in working with Senator NICKLES.

In fact, under the Republican proposal on EITC, with the $500 per child tax credit, as I think you accurately know, not one American would have been worse off. Not one working American would have lost anything in EITC. In fact, they would have been far better off under that proposal.

I would like to note for the record that the State of California will face a loss of 63,100 jobs if the minimum wage is increased and up to 500,000 jobs, according to the Congressional Budget Office, will be eliminated nationwide.

So I would remind my good friend that this unfunded mandate will cost millions of working families and taxpayers over $13 billion according to the CBO.

Mr. CLAY. Mr. Speaker, I yield 30 seconds to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I would say, the last time California raised its minimum wage, there was no job loss by teenagers or others that you are so concerned about. And second, the fact is when you were going to take away the EITC, you were going to take it away from single working people who were trying to find a livable wage. So you just decided that single people should live in poverty. So you were going to take it away from 14 million people, wonderful.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I believe hardworking Americans deserve a raise, and the people's House should increase the minimum wage. I thought we finally would have a chance to raise the minimum wage, as four out of five Americans want us to do. After calling for hearings, stalling for months, and appalling statements by the majority leader, who said that he would oppose the minimum wage with, and I quote, every fiber of his being, I thought that the Republican leadership would finally allow a clean vote on providing a needed raise for American workers.

But the Republican leadership has chosen to poison the minimum wage increase with the Goodling amendment, a distasteful amendment to repeal the minimum wage for millions of American workers.

The amendment not only repeals the minimum wage guarantee for workers at two-thirds of firms in the United States, 10 million people, it also rolls back the Fair Labor Standards Act, and it opens the door to cruel sweatshops that should have been left behind decades ago.

Mr. Speaker, I know something about sweatshops. My mother, who is 82 years old, worked in a sweatshop for many years. Fortunately, the people of this country rejected such working conditions, and they did that decades ago. I watched her work over that sewing machine with other women and they pumped out those dresses to provide an income for their families. But the extreme agenda of the Gingrich revolution would roll back the clock to those bad old days.

The American people want to move forward to higher wages, to rising living standards, and to better working conditions. They do not want to go backward to a darker time in our past when fair wages and safe workplaces were at the whim of the employer.

Mr. Speaker, I urge my colleagues to support a real and a simple increase in the minimum wage. That is what our job is about today, to help working families in this country realize their dream, to have more change in their pockets, to be able to buy their kids an extra pair of sneakers. That is what we are about.

Mr. GOODLING. Mr. Speaker, I would remind the gentlewoman from Connecticut that Connecticut will face a loss of 4,000 jobs if we do not do something other than just raise the minimum wage.

Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

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

Mr. GUNDERSON. Mr. Speaker, let me begin by thanking the chairman of our committee for his leadership on

this issue. I think, first and foremost, the reason people get upset with Washington is we ask the wrong questions. This is not a question about whether big brother Government Washington ought to mandate a specific minimum per hour salary all across this country regardless of job, regardless of skill.

What we ought to be asking is how do we provide some kind of an incentive to lift up those in the lower income of the earnings scale in this country and what is the best way to do that. Is it in training? Is it in EITC? Is it in small business incentives to hire more people? Is it in tax policy that allows them to earn more, to pay less to the Government and, therefore, pay more to their employees?

We ought to be asking the bigger question. We do not do that. That is what this debate is not doing either. That is why I would like to sort of bring us all back to what is in front of us, which is a comprehensive package to deal with a whole series of ingredients that ought to provide better incomes for those who are younger, limited experience, or lower skills, or whatever the case might be in America's work force.

I really want to commend our leadership for saying, do not take these issues in isolation anymore. Yesterday with a vote of 414, we voted to provide a number of small business incentives through the Tax Code. Everybody on a bipartisan basis agreed that those were good, positive things. What we are talking about today is doing the same thing. We are talking about solving this portal to portal issue, where people are allowed to use the company vehicle without having to pay compensation for it. I do not think there is much disagreement in that particular issue.

We are going to talk about the Goodling amendment. What does the Goodling amendment do? It deals with the training wage. We have had training wages before. Who were we talking about, we are talking about those young people, mainly teenagers, who have never had a job. Whether or not they can get a job at the local drug store or grocery store or have no job and no experience at all is probably going to be determined whether or not we give them a first time, one time, no displacement opportunity wage.

We are talking about a tip credit that says, let us put some kind of basic understanding and simplicity in this whole issue of tips.

The third issue I want to talk about, which is an issue that somehow is getting all controversial around here, is this whole issue of the small business exemption. Somehow people are saying we are trying to exclude all of these family businesses from having to pay a minimum wage. We are not trying to do that at all. What we are trying to do is provide equity for all small and family businesses across this country wherever they may be located.

Mr. Speaker, I want Members to look at this map. I represent all of western Wisconsin, the 220 miles along the Mississippi River. I want Members to look at such towns as DeSoto and Genoa and Stoddard and Ferryville and Pepin and Trempealeau and Stockholm and Nelson. All of these are towns under 400 population.

If the mom and pop stores happen to sell something to someone living literally a mile or 2 miles away in the Minnesota or Iowa border, under existing law they do not have the same benefits that that same mom and pop business would have right over here, 60 miles away. All we are saying is, wherever you live, just because you live by a State border, you should not be impacted because of interstate commerce from not having the same benefits as the small family owned business as everybody else. Jerry's grocery store, Carol's catering, Larry's lawn mower service. My colleagues, we are saying just because you are by a state border, you ought not be disadvantaged.

Mr. CLAY. Mr. Speaker, I yield 10 seconds to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I would remind the other side that a vote for the Goodling poison pill amendment in the State of Wisconsin would deny 210,757 workers an increase in the minimum wage. In the State of Connecticut, it would be 87,000.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman for yielding the time.

I must say this is an issue about values. We are talking about the dignity of work. That is one of the main principles this country has been founded on. Let me tell my colleagues there is no dignity to work if you do not get paid a living wage.

I cannot believe that people are saying this is about politics. It is not about politics. It is about paychecks, paychecks, paychecks.

Now, look, how long does it take to earn a year's minimum wage. Well, for the minimum wage worker, it takes a year. For the average CEO of a large corporation, it takes about a half a day. This is what we are talking about. This is the country with the largest disparity between wages at the top and wages at the bottom of any other western industrialized world. All we are saying if we are going to have dignity to work, we ought to try and raise the bottom. Do you not think the fat cats at the top are getting enough.

□ 0930

They are getting way more than fat cats at the top of any other country, and what is the Republican proposal? They are trying to pretend they give us the minimum wage while they turn around and knock out two-thirds of the businesses in America from having to pay either the minimum wage or overtime.

They also are going to go after tipped employees. If someone gets tips, they do not get the minimum wage. They can run around with their tin cup from place to place begging for more. Oh, there is dignity.

Please, this is about dignity.

I also hear people saying, ''Oh, well, it just goes to teenagers. Teenagers don't need it.''

Yes they do.

Have my colleagues looked at college education? I worked my way through college. One cannot do it today on the minimum wage. Tell me where to go to college and put money away.

This is about paychecks.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I listened to what my colleagues from Arkansas and from Wisconsin said on the other side, and I am amazed how little understanding they seem to have about the person who is affected by the minimum wage.

As my colleagues know, I heard statements about how, well, we will deal with the earned income tax credit, or we will make adjustments with food stamps or other government programs.

What are we talking about? A lot of the people that work on minimum wage, they do not even necessarily apply for food stamps. They do not even necessarily apply for the earned income tax credit. Many of them even do not have the knowhow or ability or even want to get involved with the Government bureaucracy. If we are talking about Washington and thinking about how we do things here, I would venture to say that my colleagues on the other side are too Washington oriented; they do not understand what the average person has to deal with on a daily basis. If they are getting a set salary now based on the minimum wage and we increase that salary somewhat under this very modest proposal, then they will see an actual increase in their wages.

Mr. Speaker, we cannot look at the bureaucratic procedures that they are talking about here. I think the earned income tax credit is great. I think people need food stamps. But a lot of people do not even apply for them who are on minimum wage.

They just do not understand on the other side what it is like for the little guy on a daily basis. And let me tell my colleagues in my own State of New Jersey, because I am afraid that somebody or I think somebody on the other side is going to talk about loss of jobs, let me tell them in New Jersey we had a modest increase in the minimum wage that was similar to what is being proposed here on the Federal level.

The results are that this moderate hike actually increased total employment in the State of New Jersey, and the reason is that minimum wage earners do not have the ability to save. They spend their money on basic necessities.

Raising the minimum wage puts more money into our local economy.

The money in New Jersey was used to purchase more goods and eventually an increase in profits for local businesses.

So raising the minimum wage actually increases economic activity; it means more jobs, not less jobs.

Mr. Speaker, this exemption that the gentleman from Pennsylvania [Mr. GOODLING] has proposed, do not listen to what the gentleman from Wisconsin said about how it is not going to affect them. It is a broad exemption that is going to repeal the minimum wage.

Mr. GOODLING. Mr. Speaker, I would remind the gentlewoman from Colorado that that State would lose 8,000 jobs if all we do is raise the minimum wage and nothing else.

Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. BARRETT].

Mr. BARRETT of Nebraska. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding time to me.

Mr. Speaker, it is unfortunate that H.R. 1227 has been hijacked, to be a vehicle for a minimum wage increase. Obviously, some on the other side, do not like business, especially small business.

On its face, H.R. 1227 is a good bill designed to allow workers to continue to use their company-owned vehicles for commuting to and from work.

For example, an electrical company may supply vans to their electricians so that they can respond to service calls. In the past, the time spent driving to and from a service call and back home, was not considered ''on the clock'' time.

Yet, recent Labor Department decisions have put this long established policy in jeopardy. Now, some companies are requiring their employees to bring the vehicles back to the office, so that the company is not subject to minimum wage and overtime liabilities.

In my rural district, the Labor Department's actions could result in long delays in services; increased costs for employees since they would have to pay for the fuel used to commute to and from work—which may be hundreds of miles in a week's time; and more time spent away from families.

If this bill was considered separately, I have no doubt that it would pass this House overwhelmingly. But, I fear the House may soon make a major mistake in increasing the minimum wage, thereby denying job opportunities and increasing costs, and using this bill to do it.

If my prediction bears fruit, then I regrettably urge my colleagues to vote against H.R. 1227. If a minimum wage increase is attached to this bill, the bad will far outweigh the good.

And that is unfortunate. Commonsense efforts of Mr. FAWELL and others of us who are working to increase and safeguard job opportunities for millions of Americans, will be severely harmed by a minimum wage increase.

I thank the gentleman from Illinois for all his good work.

Mr. CLAY. Mr. Speaker, I yield 10 seconds to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I would remind the other side and the gentleman who just spoke that a vote for the poison pill Goodling amendment would result in the loss of 94,150 individuals in Nebraska who would get an increase in the minimum wage.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentlewoman from New York [Ms. VELÁZQUEZ].

Ms. VELÁZQUEZ. Mr. Speaker, finally, we get the chance to vote on an increase to the Federal minimum wage. Americans have been calling for a vote on increasing the minimum wage for months. In fact, 85 percent of America supports giving minimum wage workers their first raise in five, long years. But instead of a straight up-or down vote, Republicans had to make sure their business buddies got some goodies in the deal.

This should have been a simple bill. Instead, it guts Federal wage protections by attaching two Trojan Horse amendments full of poison. We should be making work pay. I am truly outraged that Republicans would try to exclude many millions of Americans from being paid a fair wage.

Mr colleagues should come down from their corporate ivory towers and do the work they were sent here to do. Represent the people who have told us loud and clear that they want a clean minimum wage increase period.

Vote against both Goodling amendments and support a clean increase to the minimum wage.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, I thank the gentleman from Missouri for yielding this time to me.

From the first day that I took office here in the Congress in 1991 I have been fighting to raise the minimum wage, and I hope very much that my colleagues finally are going to do the right thing on behalf of tens of millions of workers and raise the minimum wage today.

Mr. Speaker, when the minimum wage was first established in the 1930's, the opponents then said that the world was going to come to an end, the economy was going to collapse. And every single time that an effort has been made since then to raise the minimum wage, the same cries have come forward: The world is going to come to an end, we cannot raise the minimum wage.

Mr. Speaker, the fact of the matter is that today, at $4.25 an hour, the minimum wage is a starvation wage. The minimum wage today, in terms of purchasing power, is 26 percent less than it was 20 years ago. In terms of purchasing power it is at its lowest point in the last 40 years.

Mr. Speaker, there are tens of millions of Americans today who are working hard at $4.25 an hour, at $5 an hour, at $5.25 an hour, and they are unable to take care of the financial needs of their family. They are unable to put away money so that their kids can go to college. They cannot go on a vacation. Every single week, despite 40 or 50 hours of work, they are in as bad shape at the end of the week as they were before the week began.

Mr. Speaker, one of the great economic problems facing our country today is that the richest people are becoming richer, the middle class is shrinking, and most of the new jobs are being created are low-wage jobs.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. MARTINEZ].

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

Mr. MARTINEZ. Mr. Speaker, earlier, in fact at the beginning of this process, my good friend, the gentleman from Pennsylvania [Mr. GOODLING], reminded us to stick to fact and ignore fiction, and I would say misleading statements are as bad as are fiction, and in this case misleading statements by Republicans are as attributable to fiction as anything I have ever seen.

The two constant themes that are running through the core argument of the Republicans are that this will cause job loss and that the Democrats did not do it 2 years ago. Mr. Speaker, let me remind my colleagues there were a lot of things we attempted to do, including the EITC 2 years ago, which actually, in effect, was more accommodating to a majority of our friends in our neighborhoods and communities than was the minimum-wage increase.

But let me remind my friends also that every time there has been a minimum-wage increase, and in 1991 there was, my friends on that side of the aisle have worked to dilute it. In fact, in that minimum-wage increase there was what was called a training wage, which gave an exemption to employers to hire people below the minimum wage in order to give them training experience.

What kind of training experience? Cleaning toilets, making beds, washing dishes. I suggest to you that most of us learned that at an early age and do not need any training for it.

Now, in this one we have what is called an opportunity wage, which is another exemption aside from the exemption they give to those people as an exclusion from the Fair Labor Standards Act.

Mr. Speaker, the arguments on that side are more close to fiction than they are to fact. We did not do it because we can see that in 1 year of doing the EITC that we could not very well push through a minimum wage, but there are many of us that since our coming to Congress have always felt the minimum wage is too low.

Now the job loss argument: In California they raised it much before the Federal Government did, and in California there was not one job lost. And

so the prognostications of the job losses that are going to occur if this passes I think are totally false.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Speaker, what we have here today is the first welfare reform bill in the history of this Congress because all the other welfare reform is a fraud if at the end of the day when someone gets their first job they cannot make it work, they cannot pay the rent, they cannot buy food, they cannot pay for their kids' babysitting while they are working, they cannot pay for their transportation.

Do not get up on this floor and talk about welfare reform and then try to take away the protection of the minimum wage for an additional 10 million people.

This is welfare reform, making work, have a salary sufficient to live on, just barely.

In the last decade 60 percent of Americans have slid backward. It is the first time in American history that we have seen the bottom take it on the chin as badly as they have. The top 20 percent has gone up. The next 20 percent below that has gone up just slightly. But the 60 percent of Americans below those top 40 have actually lost buying power. In the decades before that, everybody moved up.

If my colleagues want welfare reform, vote for real welfare reform. Vote for a living wage for Americans. And this hardly does it. Go try to pay rent and take transportation to work. Try to feed kids and clothe them on the minimum wage.

Do not give me phony speeches about getting people off welfare. Give people the hope and opportunity to work and at least have enough money to almost live in dignity.

□ 0945

This is not enough. Speech after speech about welfare reform, about getting people to work. Sure, get them to work at a wage they cannot make enough money to pay their rent, let alone eat and take care of their children. If we want the American people to value work, to respect work, it has to pay enough to live on.

Mr. GOODLING. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, listening to the rhetoric last evening and this morning, I have a feeling they really have a dislike for business, and a terrible dislike for small businesses.

Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. SOUDER].

Mr. SOUDER. First, as a small businessman, Mr. Speaker, I would like to compliment the chairman of the committee, the gentleman from Pennsylvania [Mr. GOODLING], and the subcommittee chairman, the gentleman from Illinois [Mr. FAWELL], on the actual bill we are discussing here, the portal-to-portal bill.

In my case, in the retail business, we had a number of employees, including our service manager and our warehouse manager, who had vehicles that they drove home. It worked well for them. It was something we could do as a joint employer-employee, and to have the Federal Government, through the courts, who often decide that they are the State and Federal legislators of this country and can make better decisions than Congress and State legislators can, to see that overturned is a tragedy for American workers and small business.

I also want to say, Mr. Speaker, that I am sorry that I cannot vote for that bill, because I cannot support a bill that lays off American workers. I understand it is called a minimum wage bill rather than a layoff bill, but in fact, it is a layoff bill. As the chairman just said, I knew the other side did not like businesses, but I did not realize how much they disliked small businesses. They use the rhetoric of the dignity of work, but in fact, it is the dignity of not working that this is promoting.

They stand up once in a while and talk about different statistics that have no basis in reality. The truth is, facts are stubborn things, and the fact is every time but one when there was a national minimum wage increase, job layoffs increased. Every time but one. The facts are there. State statistics are interesting. That is why we give options to the States. But federally, only one time did the unemployment not increase.

In fact, Mr. Speaker, jobs will be lost in this country. In fact, kids will lose their jobs, minorities will lose their jobs, senior citizens will lose their jobs. In small towns, in center cities, marginal businesses will be devastated.

I am concerned because I grew up in a town of 700, and spent most of my life in this small town. As I look around the country and see the businesses shuttered in these small towns, and see the businesses shuttered in the central cities, in the suburbs, and the people in Washington who often live in the big houses in the suburbs, where they can do the volume of business with which to pay this, do not seem to have the sensitivity for the many small towns that are losing their little businesses.

Many of those people who want a living wage move to the bigger cities, but some people would prefer to live in those small towns. Those kids who now will not have a place to work, those senior citizens who now will be trapped at home because they cannot take a marginal job, those young kids and middle-aged kids who struggled, who obviously have a special need and can barely hold a job at a minimum wage, who lose their job and are thrown back onto the welfare system because of the policies of this Congress, I wish every Member who voted for this bill had to look those people in the face when they get their pink slips, when they are trapped in their homes, when they are standing on the street corners, when they no longer have the opportunity to work because of the supposed rhetoric of compassion, rather than the real compassion.

It really disappoints me to see this promotion of the Wal-Martization of America, the disdain for the marginal businesses. I have heard Members in this body say, if those businesses cannot give enough money to meet the minimum wage standard, then they should just disappear. That is so insensitive.

We are working in the central city of Fort Wayne to try to get a supermarket back in where the supermarkets have all closed down. You will not only raise the minimum wage but all the bumps up. You increase the wages 20 percent, and we will not get that supermarket in the central city or central cities in other places.

This is not a matter of rhetoric, this is not a matter of sounding compassionate. The facts are there. The people do not understand because the American people are compassionate. They hear living wage and they want to give a living wage. The truth is that people at the margin are going to be lost. We could have helped the people who needed a living wage through earned income tax credits, through different types of legislation.

I am sorry our party is not even allowing us to vote on a number of those things, because we should have had that opportunity, and we should have been out there leading how to, in a free market economy, make sure that people, through the market system, can get a living wage. This is not the way to do it. I am embarrassed quite frankly that our party, rather than decide to fight and stand on principle and explain the facts to the American people, instead have tried to work at the margins with the minimum wage.

They have done a good job within the confines of trying to save a few jobs, but I reluctantly am still going to have to vote against the good portal-to-portal bill and against some other things that I support, because I cannot have it on my conscience to cost people that I know their jobs: seniors, young people, people who are handicapped, who have struggled to get into the work force, and now because Washington, people have decided that they should lose their jobs, they are going to lose their jobs.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, the gentleman from Indiana who just spoke, if he decides to vote for anything, it would probably be the Goodling amendment. If that passes and becomes law, 315,000 people in the State of the gentleman who just spoke, Indiana, would be denied a minimum wage. Ten percent of the people on minimum wage are senior citizens.

The gentleman's point is the point that many people in the minority make, and that is, a higher wage is bad for business and therefore loses jobs.

Carrying that conservative argument to its conclusion would lead one to believe, incorrectly, that lowering wages in this country would be good for employment and good for business.

That is the difference between that side of the aisle and this. This side of the aisle believes that as we raise the standard of living in America, America does better economically. That side believes, obviously, that as you reduce the standard of living in this country, it is good for this country economically. Nothing in American history demonstrates that Republicans are correct about that.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. WOOLSEY].

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, it is time to increase the minimum wage. It is time to make work pay. It's time to make work pay more than welfare.

I know, because over 28 years ago, as a single, working mother, I was earning so little I had to go on welfare to supplement my pay in order to provide my children with the health care, child care and food they needed.

Unfortunately, too many American workers face the same situation today. In fact, most minimum wage earners look a lot like I did 28 years ago: 60 percent of minimum wage earners are women. Of that, 72 percent are over 20 years old. And, one-fifth of minimum wage earners are single parents.

So, yes, my friends, despite what you've heard from the Republican leadership, families struggling to get by on $4.25 an hour really do exist.

What does not exist, however, is a believable commitment by the majority to boost the wages of working Americans. Now, rather than having a clean up-or-down vote on raising the minimum wage, the Republicans are loading the bill up with amendments that will make an increase meaningless.

Under the Goodling amendment alone, up to 10 million workers could lose their right to any minimum wage.

Mr. Speaker, that's not making work pay. It is taking workers backwards. It is letting businesses off the hook who pay low wages. It is forcing the taxpayers through the welfare system to make up the difference for these low wages.

Mr. Speaker, let us pass a minimum wage. No if's, and's or but's. Let's make work pay.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the ranking member, and I hope that this morning we can have a truth in discussion on the floor of the House. This is a $5 bill, and those who are working and getting minimum wage right now must give back change on this bill. If we do not raise the minimum wage, we will in fact deny 1.1 million workers in the State of Texas an increase.

What I want to talk about is truth in discussion. We support small businesses. In fact, we came to the floor of the House and enthusiastically provided the Small Business Protection Act, giving incentives for small businesses who hire at-risk individuals, giving them a tax incentive to do so, allowing them to spend more money on equipment, providing pension reform, giving them a health deduction provision that we did some months ago. I am for small businesses. But likewise, I have to be for the working public, and 60 percent of those on minimum wage are women with children.

How can you talk about welfare reform when the Republicans are likewise talking about decreasing the earned income tax credit, which would negatively affect over 6.8 million taxpayers who are at the lowest bottom rung?

The American people are fair. We simply want an increase in minimum wage for retail workers, individuals who work every day to stay off welfare. Realize what you do with $5. What you do with $5, you pay your rent, you pay the income needs for your children, you pay health care. What you are doing if you deny the increase in the minimum wage for all Americans, you prevent those who would want to have incentives to come off welfare from being able to support their families.

What are we doing here? We are not discussing the facts. The facts are, you cannot survive on $4.25. Take a $5 bill and get back change and see if you can survive. We need a vote up-or-down on a clean minimum wage for the American people.

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

Mr. Speaker, I would remind the gentlewoman from California, we would lose 63 million jobs if we do nothing, and in Texas 60,000 jobs, if we do nothing other than raise the minimum wage.

Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. BAKER].

Mr. BAKER of California. Mr. Speaker, this debate is about politics, it is not about economics. If this were such a great deal, the socialists over there would have raised the minimum wage in 1993 and 1994, when they had a huge majority and a President that would have signed it. They did not bring it up, they did not hold hearings, and they did not pass it. What a surprise.

Eighty-three percent of the American people want to raise the minimum wage. The problem is, 78 percent of them cannot tell you what the minimum wage is.

I ask the gentleman, did the gentleman coauthor the Small Business Administration exemption? Yes, he did sponsor the small business exemption that the gentleman from Pennsylvania [Mr. GOODLING] is offering right now.

Let me tell the Members how minimum wage affected me. As a child I was making $1 an hour at the Grand Lake Theater in Oakland. They raised the minimum wage to $1.25. They told me I was through, they did not have it in their budget. I told them I did not work for government, I worked for them, and I just needed it for my allowance, to supplement my allowance and as experience, because and because as a young person at 16 you cannot get experience. They liked my attitude and paid the minimum wage. But I almost lost my job. I know about minimum wage. It stinks, it is a charlatan game. There is no constitutional right. It is an unfunded mandate. Vote no, and vote yes for the Goodling amendment.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. FILNER].

Mr. FILNER. Mr. Speaker, I rise today in strong support of the Riggs amendment which would raise the minimum wage and in vehement opposition to the Goodling amendment which would result in millions of Americans earning less than the minimum wage.

Mr. Speaker, there are thousands of parents in my district—in cities like San Diego, National City, Chula Vista and Imperial Beach—that are working two or three minimum wage jobs to raise their families in dignity. These parents are sacrificing valuable time with their children in order to avoid welfare. These parents have not had a raise in over 5 years.

We also have thousands of students working their way through school, and senior citizens working to augment their Social Security. They, too, deserve a rise.

We must do the right thing for these families.

But today's bill is a cruel hoax on these hard-working Americans. On the one hand we tease them with the prospects of the minimum wage increase, and on the other we snatch it away.

That is why I urge my colleagues to vote for the Riggs amendment and against the Goodling exemption, which would allow millions of Americans to be paid less than the minimum wage.

Let's do the right—and moral—thing for American families.

□ 1000

Mr. GOODLING. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Speaker, I simply want to make a point to my colleagues. I very much support this legislation, the Employee Commuting Flexibility Act. It is commonsense legislation clarifying the Department of Labor interpretations of the circumstances under which an employer must pay an employee to drive to work in company-owned vehicles.

But the minimum wage amendment I am going to offer in a few minutes does not belong in this legislation. It belongs on meaningful welfare reform legislation, like the legislation that

passed this House, passed the Senate and was twice vetoed by the President.

The folks over on this side of the aisle should walk their talk, put their votes where their rhetoric is, and support real welfare reform, because those two issues, a moderate increase in the minimum wage to keep pace with inflation and real reform of the welfare system, go hand, in hand.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas, [Mr. GENE GREEN].

Mr. GENE GREEN of Texas. Mr. speaker, I want to applaud my colleague from California because I agree that a minimum wage should have been with the welfare reform bill. If we want to get people off welfare, we have to provide them with a decent minimum wage. Right now in our country if a person works 40 hours a week for 52 weeks a year, they make $8,800. They are eligible for food stamps, welfare, whatever it is called. That is why it should have been part of it.

The bills that were sent to the President by this Republican Congress did not have the minimum wage increase in it. It should have been part of the welfare reform bill but it was not. That is not the fault on this side of the aisle. It is the other side. That is why it should be part. I agree with my colleague from California. A minimum wage increase should be part of a welfare reform bill.

The minimum wage increase passed the last time in 1991 with 135 Republicans in the House supporting it. I think that is ironic because we had a Democratic majority in the House and a Republican President that passed the minimum wage increase. Now we have a Democratic President and a Republican majority in the House and the Senate and yet we have waited for 2 months to try and have a vote on the floor today.

What do we have? We have a vote on a bill and an amendment, the bill that has portability which itself could stand alone and be debated, in fact we could probably pass it with some fairness in the portability bill, but, no, we are going to attach a minimum wage increase to it that is going to take away millions of people from coverage under the minimum wage.

We are giving it with one hand and we are going to take it away with the other. That is what the people of the United States have said in 1992 and 1994. They do not want Washington practicing sleight of hand. They want Washington to be up-front and honest with the American people.

By withdrawing the coverage of minimum wage from these interstate small businesses, we are actually lowering the coverage to over 10 million people. That is what is wrong with this bill and the amendment, and that is why when it goes to the Senate, hopefully they will change that if we do not beat it today.

The minimum wage increase passed in 1991 with bipartisan support. Hopefully we will have that again, but it needs to be a real minimum wage increase and not a fake one.

Mr. GOODLING. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. WELDON], a member of the committee.

Mr. WELDON of Florida. I thank the chairman for yielding me the time.

Mr. Speaker, I rise in support of the Employee Commuting Flexibility Act which is a good piece of legislation that we really should be talking about which allows employees to use the company car to go home, saves fuel, and is good for the environment, but instead we keep talking about the minimum wage.

My colleagues on the other side of the aisle suddenly in this election year have all this compassion for the minimum wage workers. What they do not seem to have compassion for is all of the people that they are going to unemploy by mandating from Washington, that their salary goes up.

The gentleman from Indiana said it previously. Thousands and thousands of people have lost their job every single time the Congress raised the minimum wage. Every economist report except one reports that people have lost their job.

But I do not think you care about them losing their job. You care about getting reelected. You care about who is in control of this body. That is why you are making a big deal out of it.

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I would like to remind the gentleman from Florida that if he votes for the Goodling amendment, this poison pill amendment, what will happen is that 675,928 workers in the State of Florida will be denied an increase in the minimum wage. He should also know, coming from Florida, that 10 percent of minimum wage workers are seniors.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. WYNN].

Mr. WYNN. Mr. Speaker, I thank the gentleman for yielding time, and I rise in strong support of the minimum wage. Not a sham minimum wage, a real minimum wage.

Some people say, ''Well, is this debate about politics?''

No, it is not about politics. This debate is about the American dream. This debate is about standards of living in America. This debate is about whether people can live in America making $8,000 a year after working 40 hours a week. It just does not add up. We need to raise the minimum wage so we can raise the standard of living so people can in fact enjoy the American dream.

The leadership on the other side of the aisle does not believe in that and they do not care about whether we raise the standard of living. They want to say people are going to lose jobs. That is not true. One hundred two economists, including three Nobel prize winners, all support raising the minimum wage. But we do not have to go to the intellectuals. Eighty percent of the American public supports raising the minimum wage. I trust the common sense of the American public. But we can even go to the politicians because, Mr. Speaker, the fact is that there are bipartisan majorities in both houses of this Congress who want to support an increase in the minimum wage. But unfortunately there is a Republican leadership that wants to thwart the will of the American people and bipartisan majorities, because they want to undermine this bill with a poison pill. The poison pill will exempt two-thirds of all businesses from the requirements of the minimum wage. That means 10 million Americans will not be able to raise their standard of living and will not be able to enjoy the American dream. It means that we could see the return of sweatshops where people work long hours for low pay. That is not the American dream. In America we pride ourselves not just on democracy but on the ability to support families and to enjoy the benefits of democracy. The only way that that can happen is when people earn a livable wage. What they are perpetrating today is not a livable wage.

Mr. GOODLING. Mr. Speaker, I yield 1 minute to the gentleman from Arizona [Mr. SHADEGG].

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

Mr. SHADEGG. Mr. Speaker, this is not about raising the minimum wage. It is about putting young minority students out of work. Raising the minimum wage will put 1 out of every 4 minority workers between the ages of 17 and 24 who are out of school and working today out of work.

Some of the most eloquent testimony I heard on this issue came from a District of Columbia businessman, Abdul Uqdah. This is Abdul Uqdah. He started a business 16 years ago with $500 and 3 employees. He now employs 14 people. He appeared before our committee and begged us not to raise the Federal mandate minimum wage. Why? Because it will not work and because it will put minority youth out of work.

He said, and the fact is, raising the minimum wage will put one out of every four young minority workers in America who hold a job today out of work. This is an unemployment act that hurts minority youth, and it is a shame.

Mr. CLAY. Mr. Speaker, I do not know what committee he appeared before, but our committee did not hold any hearings on the minimum wage.

Mr. Speaker, I yield 15 seconds to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, the gentleman from Arizona should be reminded that 200,000 of his workers will be denied an increase in the minimum wage if he votes for the Goodling

amendment, and that two-thirds of minimum wage workers are adults; 40 percent are the principal breadwinners in the family. Let us get the facts straight on this issue.

Mr. CLAY. Mr. Speaker, I would like to inquire how much time remains for both sides.

The SPEAKER pro tempore (Mr. WALKER). The Gentleman from Missouri [Mr. CLAY] has 2½ minutes remaining, and the gentleman from Pennsylvania [Mr. GOODLING] has 3 minutes remaining. The gentleman from Pennsylvania is entitled to close.

Mr. CLAY. Mr. Speaker, I yield the balance of my time to the gentleman from Montana [Mr. WILLIAMS].

The SPEAKER pro tempore. The gentleman from Montana [Mr. WILLIAMS] is recognized for 2½ minutes.

Mr. WILLIAMS. Mr. Speaker, let us close this debate by recalling that America is at its best when it does its best by its workers. After half a century of progress, America's standard of high wages is now in decline. In the 30 years from Harry Truman through Jack Kennedy to Lyndon Baines Johnson, the average income of the American family more than doubled.

Since then it has been in decline, in decline despite the fact that there are now two wage earners in millions of American families. In those 30 years, the percentage of women in the American work force has risen by 180 percent. Today women make up half of America's work force.

If Americans were asked to name a big employer in America just a few years ago, they probably would have said Lee Iacocca but they would not have said Beverly. But Beverly hired more people than did all of auto. Beverly runs nursing homes in America, Beverly's workers work for the minimum wage, and most of them are women.

We have had an evolution, in the lifetime of everyone in this Chamber, in the American work force. America must invest in its human capital as well as its physical capital. Corporations in America must get better at long-term planning and less at short-run gain. Manufacturers in America must do better at focusing on quality rather than quick profits.

Our workers must once again be the best paid workers in the world. Why? To create unemployment? No; to put small business out of work? No; to raise the standard of American living, because our people spend their money on Main Street USA.

As a former small businessman myself who owned restaurants in Montana, I can tell Members that my days were never better than when my workers and Montana's workers were well paid. I never had more profitable years than those years when the minimum wage was raised. Do it for America. Take care of America's workers.

Mr. GOODLING. Mr. Speaker, Montana would only lose 2,800 jobs if we do nothing but raise the minimum wage.

Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. FAWELL] to talk a little bit about what we were supposed to be talking about during the last 90 minutes.

Mr. FAWELL. Mr. Speaker, I thank the gentleman for yielding me the time.

If this were a court of law, Mr. Speaker, 95 percent of what we have hard would be ruled irrelevant and nongermane to the issue before this body. Because whether one is for the minimum wage or not, all that this bill does is to clarify conflicting DOL opinions, and to make sure that when employers and employees and unions want to get together and agree that an employee can use the employer's vehicle, usually it is a pickup truck or something like that in the construction trades, to go from home to work and from work to home, it will not be in violation of the Fair Labor Standards Act. That is all that we really should be talking about at this time. We should take it one at a time.

No one would be forced to do this. It would be voluntary on the part of the employee, and the commuting distance would be the normal commuting distance as determined by the rules of the Department of Labor.

□ 1015

This is supported by all workers basically, union, nonunion, Republican, Democrat, socialist, communist, whatever. It is a sound piece of legislation.

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

Mr. Speaker, one of the gentlewomen said we ought to get the facts straight, and I think that would be a pretty good idea. They have been throwing around figures like 3 million, 5 million, 10 million, 100 million if, as a matter of fact, my amendment dealing with the small business exemption, which is the law at the present time, would happen to be adopted.

That is pretty interesting. You know where they are getting those figures? They are getting those figures from the Census Bureau of people who are employed by businesses that have an income less than $500,000.

Well, what they are forgetting to do, first of all, they have to say, well, who is already exempted in that group? Let me tell you who is already exempted in that group: The self-employed, they are already exempted in that group. Then you have the white collar exemptions, doctors, dentists, accountants, and attorneys. They are all exempted in that group. Then you have those who are exempted from the 1989 amendments. They are exempted from overtime requirements. Then you have those who work for individual franchises, such as McDonald's, Burger King, all exempted at the present time. I mean, all do not fit into an exemption at the present time, because they have over $500,000 in income. Can you tell me how many are exempted by State law?

So when you talk about millions, you are not talking about the true facts, I will guarantee you. You are talking about some Census Bureau figures that have nothing to do with who is exempted and who is not exempted under current law.

It is very obvious, as I indicated before, that there is a hate passion from the other side of the aisle in relationship to business, and a tremendous hate passion in relationship to small businesses. Well, it is those small businesses that are going to create the jobs in this country, and I hope everyone will remember that.

The SPEAKER pro tempore. It is now in order to consider the amendment printed in part 1 of House Report 104–490.

AMENDMENT OFFERED BY MR. RIGGS

Mr. RIGGS. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. RIGGS: Add at the end the following:

SEC. 3. MINIMUM WAGE INCREASE.

(a) SHORT TITLE.—This section may be cited as the ''Minimum Wage Increase Act of 1996''.

(b) AMENDMENT.—Paragraph (1) of section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)) is amended to read as follows:

''(1) except as otherwise provided in this section, not less than $4.25 an hour during the period ending on June 30, 1996, not less than $4.75 an hour during the year beginning on July 1, 1996, and not less than $5.15 an hour after the expiration of such year;''.

POINT OF ORDER

Mr. PORTMAN. Mr. Speaker, I rise to a point of order against this amendment.

The SPEAKER pro tempore (Mr. WALKER). The gentleman will state his point of order.

Mr. PORTMAN. Mr. Speaker, pursuant to section 425(a) of the Congressional Budget Act, it is not in order for the House to consider any amendment that would increase the direct costs of Federal intergovernmental mandates in excess of $50 million annually. The precise language in the amendment before us on which this is based is ''Paragraph 1 of section 6(a) of the Fair Labor Standards Act of 1938 is amended to read as follows: Not less than $4.75 an hour during the year beginning July 1, 1996, and not less than $5.15 an hour after the expiration of such year.''

It is upon this basis and the impact this amendment would have on State and local government as estimated by the Congressional Budget Office that I raise this point of order, and ask for a ruling from the Chair.

The SPEAKER pro tempore. The gentleman from Ohio makes a point of order that the amendment violates section 425(a) of the Congressional Budget Act of 1974.

In accordance with section 426(b)(2) of the act, the gentleman has met his threshold burden to identify the specific language in the amendment on which he predicates the point of order.

Under section 426(b)(4) of the act, the gentleman from Ohio and a Member opposed each will control 10 minutes of debate on the point of order.

Pursuant to section 426(b)(3) of the act, after debate on the point of order the Chair will put the question of consideration, to wit: ''Will the House now consider the amendment?''

The gentleman from Ohio [Mr. PORTMAN] is recognized for 10 minutes. Is there a Member seeking recognition in opposition?

Mr. BONIOR. Mr. Speaker, I seek time in opposition.

The SPEAKER pro tempore. The gentleman from Michigan will be recognized for 10 minutes.

PARLIAMENTARY INQUIRY

Mr. BONIOR. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. BONIOR. Mr. Speaker, as you correctly stated, I do seek control of the 10 minutes of time noted. I also would ask the Speaker if it would be in order for me to yield 5 minutes of that time to the gentleman from California [Mr. RIGGS], and ask unanimous consent that he be allowed to partition his 5 minutes as he deems fit?

The SPEAKER pro tempore. The gentleman may do that by unanimous consent.

Mr. BONIOR. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. RIGGS] be given 5 minutes of my 10 minutes, and that he be allowed to yield that time as he so desires.

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

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Ohio [Mr. PORTMAN].

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

Mr. Speaker, last year 394 Members of this House voted to pass the Unfunded Mandates Reform Act of 1995, which, for the first time, ensures that before we vote on measures that impose unfunded mandates on State and local government, that we have three things: First, we have an analysis of what the cost is; second, we have an informed debate on whether the mandate should be imposed; and third, and that is what we are up to today, we have a recorded vote on whether to impose such a mandate.

It does not mean we never mandate, but it means we do so in the full light of day, and that is what this is all about. Having this point of order is about keeping the promise Congress made a year ago to know the cost information, to have a separate debate, and to make a decision in the clear light of day as to whether we impose this additional mandate.

I have a letter here from the Congressional Budget Office which states as follows: ''This amendment would impose both an intergovernmental and a private sector mandate, as defined in the Unfunded Mandates Reform Act, that would exceed the $50 million annual threshold for intergovernmental mandates beginning in fiscal year 1997. For 1998, the first full year in which the minimum wage would be $5.15, the direct cost of the mandate would total $310 million for State and local governments, and $3.7 billion for the private sector.'' That is from CBO.

Thanks to the Unfunded Mandates Reform Law, we now have the facts, and we now have the opportunity as a Congress to decide, do we want to impose these additional costs on the private sector and also on State and local government?

Mr. Speaker, I just want to remind my colleagues that if you do not believe we should impose these costs, this would be a no vote.

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

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

Mr. Speaker, I have a question that those of us on this side of the aisle have, which is why some of our Republican friends over here will not allow the House to have a clean, simple, up-or-down vote on the minimum wage? If they are opposed to the minimum wage, then fine. Why do they not stand up and vote no, rather than hide behind procedural maneuvers and these parliamentary tactics?

This is a dilatory motion, a dilatory motion. The House will not even be allowed to debate, much less vote, on the Riggs amendment to raise the minimum wage.

This motion, Mr. Speaker, demonstrates in our view an extraordinary double standard. The Committee on Rules routinely, and I want to emphasize that, routinely waives unfunded mandate law for bills supported by the Republican leadership. In fact, they have taken three rollcall votes to waive the unfunded mandate laws in the last 3 months. Our friend on the Republican side voted for all of those waivers. It was okay then when they wanted to move things that they thought were needed or were important. But now they are using that law to block a vote on the minimum wage, a proposal, by the way, supported by 80 percent of the American people. The unfunded mandate law was never intended, never intended, as a tool for the majority to prevent a vote on an issue just because they do not like it.

The question before the House is a simple one: Will the House be allowed, will we be allowed, to consider the Riggs amendment to raise the minimum wage by 90 cents, 50 cents the first year, 40 cents the second year? Stop these procedural games, these delays. Vote ''yes'' on this issue.

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

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

Mr. Speaker, I want to remind the last speaker, this is part of the Unfunded Mandate Reform Act. It is not a dilatory tactic. It is to decide whether we want to impose a mandate. I think it is great we are having this informed debate. We are going to hear from other speakers now.

Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. LARGENT].

Mr. LARGENT. Mr. Speaker, you can get an argument in this body over just about anything, but I think most of us would agree that three strikes, you are out in America's favorite pastime.

I want to talk about the three strikes of the issue at hand, minimum wage. Strike one, it is bad policy. There really is no serious debate that when you increase the cost of labor, you decrease the number of jobs. There really is no serious debate about that anywhere, except here in this Congress.

Strike two, it is bad politics. The people who really take it in the shorts on this are small businessmen. The people that are creating 80 percent of the jobs that we have in this country, they are the ones that are going to take it in the shorts when we increase the minimum wage. There is no debate about that either. That is strike two.

Strike three, it is bad PR. Do you want to know why there is such a high level of cynicism about the way Washington works across this country? It is because Washington continues to say one thing, and do another, and that is exactly what we are about to vote on the Riggs amendment.

Vote ''no'' on the Riggs amendment.

Mr. BONIOR. Mr. Speaker, I ask unanimous consent that the remainder of my time be controlled by the distinguished gentleman from Missouri [Mr. CLAY].

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

There was no objection.

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

Mr. Speaker, let me first of all acknowledge that I did support the unfunded mandates reform legislation which passed this House by an overwhelmingly bipartisan margin during the first 100 days of this session of Congress as part of our Contract With America, so I want to make clear at the outset, I support the general principles of unfunded mandates reform.

However, let me see if I can draw a distinction between what I believe was the purpose of that legislation and the minimum wage amendment that I have offered, which is now pending before the House.

We in the Western United States, especially in northwest California, are pretty familiar with the onerous impact of Federal environmental regulations, as well as other unfunded mandates. Those are mandates that are imposed on State and local governments. In fact, the Unfunded Mandates Review Panel has looked at Federal environmental regulations, such as the Clean Air Act, Endangered Species Act, and

others, and have ruled, issued a report, saying that those Federal environmental regulations do in fact constitute an unfunded or underfunded mandate imposed on State and local governments by Washington, by the Federal Government.

But in this instance, what we are talking about doing is modestly increasing the minimum wage to keep pace with inflation and restore some of the purchasing power to the minimum wage that has been eroded over the years by inflation. My belief is that over time, by increasing the minimum wage and by implementing meaningful welfare reform, we will be moving more people from welfare to work, helping those people obtain again full employment, and, in the long term, become taxpaying, contributing members of society.

Mr. Speaker, over the long term, the increase in the minimum wage, again, if coupled with meaningful welfare reform, is going to produce more taxpayers, and that is going to increase Federal tax receipts over the long term, and that will offset the effects of a so-called unfunded mandate.

The whole idea of an unfunded mandate provision in law today is to protect against mandates being imposed on State and local governments that they must then pay for with their own tax receipts. I do not believe that increasing the minimum wage, helping people make that transition from welfare to work, helping them become taxpaying, contributing members of society, does in fact constitute an unfunded mandate.

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

Mr. PORTMAN. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. ARMEY], the distinguished majority leader.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, you know, when we convened this Congress we and the Nation were so proud that we finally gave unfunded mandates relief to America. We now have an opportunity to reaffirm our conviction that America should not have an unfunded mandate of this magnitude foisted on them.

I take exception to all the arguments that say there is no downside to raising the minimum wage. In addition, of course, to the perverse employment effects on the least advantaged workers in America, there is in fact a cost to be borne in the private sector.

Once again we are contemplating a course of action where Washington gets to feel good about its generosity, while others bear the cost. Once again we get to feign compassion by bleeding our hearts with other people's money.

This is not an acceptable course of action, and I encourage everybody who believes we ought not to be imposing unfunded mandates on the rest of the Nation to vote ''no'' on imposing this on funded mandate on America.

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

□ 1030

Mr. Speaker, I urge my colleagues to defeat the point of order so we may proceed on the vote on increasing the minimum wage. Human beings have basic needs; they must eat, they must have shelter, they must have clothes. These needs are universal. They apply equally to employees of State and local governments and the private sector.

If workers are to meet these needs without public assistance, they must be able to earn a living wage for their labor. Increasing the minimum wage is not a true unfunded mandate. The failure to ensure a living wage is ultimately far more expensive to local government, State governments, private businesses, and society as a whole than a modest increase in the minimum wage.

Mr. Speaker, I will gladly and proudly vote to waive the point of order because it would be an outrage for this House to block a vote on the minimum wage.

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

Mr. PORTMAN. Mr. Speaker, may I inquire of the Chair how much time is remaining on this side?

The SPEAKER pro tempore (Mr. WALKER). The gentleman from Ohio [Mr. PORTMAN] has 6 minutes remaining, the gentleman from California [Mr. RIGGS] has 1½ minutes remaining, and the gentleman from Missouri [Mr. CLAY] has 2 minutes remaining.

Mr. PORTMAN. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. MCINTOSH].

Mr. MCINTOSH. Mr. Speaker, I rise in support of the point of order and want to make two points, one my colleague, the gentleman from Arizona [Mr. SHADEGG], pointed out: That Abdul Ugdah will not be able to give jobs to inner-city youths, and that this unfunded mandate of a minimum-wage increase discriminates against blacks and minorities. And for that reason alone, we should vote against it.

But earlier in this year we passed a Contract With America that said we would not impose a tax increase on local taxpayers, we would not impose an unfunded mandate on those local governments. This vote is a vote of integrity, and I call upon my Republican colleagues and my Democratic colleagues to support that bill, all 340 of us, to vote to sustain this point of order and show the voters we were not being dishonest, we were not being politicians when we passed the unfunded mandate bill; that we meant to keep our word then, and today we intend to keep our word and sustain this point of order.

If this vote loses, then I think most Americans will know that we did not mean to uphold the Contract With America when we passed it.

Mr. PORTMAN. Mr. Speaker, I yield 1 minute to the gentleman from Texas, Mr. SAM JOHNSON.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I rise in strong support of the point of order. I remind my colleagues that 1 year ago we did vote overwhelmingly to uphold it, and it is not just the fact we are losing dollars for the States and cities, it is a vote to place a massive $12.3 billion unfunded Government mandate on private business as well. It is a vote to destroy 620,000 jobs.

And those jobs are jobs that part-time workers, teenagers, welfare recipients, in spite of what my colleague says, and unskilled workers, will never have. Those are the people we ought to be creating jobs for. We ought to be eliminating the costly mandates that we here in Washington shove down the throats of our taxpayers.

This wage increase is bad economics, bad policy, and bad for the American worker. I ask the Congress not to do what is easy but do what is right for America: Vote ''no'' on this. Americans do not want, do not need, and do not deserve unfunded mandates.

Mr. RIGGS. Mr. Speaker, I yield myself 15 seconds just to mention that the letter cited by my good friend and colleague, the gentleman from Ohio [Mr. PORTMAN], from June O'Neill of the Congressional Budget Office, opining that the minimum wage constitutes an unfunded mandate does not take into account the possible passage of the Goodling amendment which brought this about.

Mr. PORTMAN. Mr. Speaker, I yield 1 minute to the gentleman from Arizona [Mr. SHADEGG].

Mr. SHADEGG. Mr. Speaker, I urge my colleagues to recognize this as an unfunded mandate and to stand on principle. We are telling governments all across America, cities, States, counties, that they must pay a wage but we are not providing the money to pay that wage.

We are doing what we told the American people in the Contract With America we would not do. This is not rocket science, it is simple and straightforward. It is a matter of keeping our word.

An unfunded mandate imposed upon the States is unfair and it is wrong. It not only will cost the employees of Mr. Ugdah their jobs, but it breaks our faith, and anybody who voted against unfunded mandates has to recognize this is a vote of hypocrisy. We must vote to sustain this point of order if we voted to ban unfunded mandates.

Mr. CLAY. Mr. Speaker, I yield 2 minutes, the balance of my time, to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, the gentleman from Arizona speaks of hypocrisy. Let me point out that he and the gentleman from Ohio and the gentleman from Indiana, who spoke a few moments ago, and the distinguished majority leader, they have voted three times in this Congress to waive the very unfunded mandates rule that they now inject into this debate for the sole purpose of thwarting a minimum-wage increase.

Mr. Speaker, I think the majority leader has at least been candid with

the American people with regard to his position on giving America a raise, for he said he would resist that increase in the minimum wage with every fiber in his body. And it was obvious when he spoke here, and he is a fairly fibrous guy, that he has not only done anything that he could to prevent a minimum-wage increase, he has done everything that he could do to prevent a minimum-wage increase. And this is the latest of those tactics.

Our colleague, his right-hand man, the gentleman from Texas [Mr. DELAY], the majority whip, denied there were even families out there that were living on the minimum wage. And, indeed, they are barely living on the minimum wage. And to top it all off, the Chair of the Republican Conference, the gentleman from Ohio [Mr. BOEHNER], said, ''I will commit suicide before I vote on a clean minimum-wage bill.''

That is what this is all about. It is do anything, do everything possible in order to thwart the desire of the American people for a raise.

There have been three times in this session that they have voted, every single person, including the gentleman that has raised this point of order, every single person who has spoken in favor of this point of order, there have been three times that they were not so concerned about the mandates bill that they were not willing to waive it.

But this morning they have a wave of a different kind. They propose to wave goodbye to the desire of the working people of this country to have a working wage. We believe, in the American economy, that it does not have to all trickle down. It can bubble up. And the idea is to help some of those people at the bottom of the economic ladder rise upward.

Mr. PORTMAN. Mr. Speaker, I yield myself such time as I may consume to say quickly to my colleague that both the gentleman from Missouri [Mr. CLAY] and the gentleman from Texas [Mr. DOGGETT] have talked about the Unfunded Mandates Relief Act, as has the gentleman from Michigan [Mr. BONIOR]. All three of them voted for the act, and I am glad they did. I am glad we are having this debate today.

I would say that the one rule that I know of where we waived a point of order, there were no unfunded mandates in the underlying legislation. And in that case, indeed, Mr. DOGGETT or anyone else could have raised a point of order on the rule.

Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. CHRYSLER].

Mr. CHRYSLER. Mr. Speaker, I rise in support of this point of order. This is an unfunded mandate. One billion to municipalities cost $13 billion nationwide.

We agreed to live under the same laws as what we passed. We must live under the laws that we have passed in this Congress. That is why we were sent here, that is what makes us different. Do not try to deceive the American people again.

Support the point of order. This is an unfunded mandate.

Mr. RIGGS. Mr. Speaker, I yield myself such time as I may consume to say that, first, with respect to the minimum wage amendment constituting an unfunded mandate imposed on the public sector, I am not aware of any State or local government that has contacted the Congress to express their reservations.

Mr. Speaker, I yield 30 seconds to the gentleman from Pennsylvania [Mr. ENGLISH], my good friend and colleague and cosponsor of the minimum wage amendment.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, let me say I come to this Congress as a strong supporter of the restriction on unfunded mandates, and I come to this Congress as a former finance officer.

I am strongly opposed to this point of order because I think it stretches that rule beyond recognition. That rule was never intended to freeze in perpetuity our current minimum wage.

If we sustain this point of order, I think it will open the door to many more unfunded mandates.

Mr. PORTMAN. Mr. Speaker, I yield 30 seconds to the gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. Mr. Speaker, over the last 16 months there has certainly been some disagreement about what we have done in this new Congress. But I have to tell my colleagues that on our side of the aisle, what we have done here on the House floor every day was what we thought was in the best interest of the American people.

We have been honest with the American people and that is why we passed the unfunded mandate legislation. If we are going to continue to uphold our responsibility to the American people, let us be honest with them today.

Let us vote no, not to waive the point of order against this. Let us stand up and do the right thing once again.

Mr. PORTMAN. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. BARTLETT].

Mr. BARTLETT of Maryland. Mr. Speaker, as my colleagues can see from the CBO position, increasing the minimum wage by 90 cents is a monstrous unfunded mandate, more than a billion dollars to the public sector, which clearly much exceeds our $50 million threshold and more than $12 billion to the private sector.

When 100 percent of the Republicans and 85 percent of the Democrats in the House agreed on the unfunded mandates issue, the American people had good reason to believe that Washington was changing the way it does business. Now, this Memorial Day weekend, do I have to go home and explain to local officials why Congress ignored the unfunded mandates law? This Memorial Day weekend, do I have to go home and try to reassure my constituents that even though Congress broke its promise, the American people should still believe that Washington is being reformed?

I urge the 394 Members who supported the Unfunded Mandates Act, Public Law 104–4, to support our point of order. Increasing the minimum wage is an unfunded mandate. Vote ''no'' on the consideration of this unfunded mandate.

Mr. RIGGS. Mr. Speaker, I yield the balance of my time of the gentleman from Connecticut [Mr. SHAYS], another original cosponsor of the minimum wage amendment.

Mr. SHAYS. Mr. Speaker, I encourage my colleagues to vote ''yes'' and to allow the Riggs amendment to be considered. The Riggs amendment will allow us to vote to increase the minimum wage. Anyone who supports increasing the minimum wage, must vote ''yes'' on this motion.

The bottom line is we are encouraging a ''yes'' vote to increase the minimum wage. We need a ''yes'' vote on this motion.

The bottom line is we are encouraging a ''yes'' vote to increase the minimum wage. We need a ''yes'' vote on this motion.

Mr. PORTMAN. Mr. Speaker, I want to say briefly, because there has been some confusion in some of the discussion, that a ''no'' vote is the right vote if Members do not want to impose additional mandates on State and local government.

There are also huge private sector mandates here which were required to be analyzed by the Unfunded Mandates Relief Act, but a ''no'' vote is the correct vote if Members do not want to impose these additional mandates.

In closing, I would just say that this is exactly the kind of debate we hoped to have with the Unfunded Mandates Relief Act. We now have it out in the open. This is an unfunded mandate on State and local government. If Members do not want to impose those mandates, they now have the opportunity to stand up and be counted.

The SPEAKER pro tempore. The question is, Will the House now consider the amendment offered by the gentleman from California [Mr. RIGGS]?

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

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

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

The Sergeant at Arms will notify absent Members. The vote was taken by electronic device, and there were—yeas 267, nays 161, not voting 5, as follows:

[Roll No. 191]

YEAS—267

Abercrombie	Barcia	Berman
Ackerman	Barrett (WI)	Bevill
Andrews	Becerra	Bilbray
Bachus	Beilenson	Bilirakis
Baesler	Bentsen	Bishop
Baldacci	Bereuter	Blute

Boehlert
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Buyer
Canady
Cardin
Castle
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cremeans
Cummings
Danner
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Durbin
Edwards
English
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fox
Frank (MA)
Franks (NJ)
Frisa
Frost
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Gordon
Green (TX)
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hobson
Hoke
Holden
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
Klug
LaFalce
Lantos
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lincoln
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDade
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moorhead
Moran
Morella
Murtha
Nadler
Neal
Neumann
Ney
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Quillen
Quinn
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schiff
Schroeder
Schumer
Scott
Serrano
Shaw
Shays
Sisisky
Skaggs
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Solomon
Spratt
Stark
Stockman
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Walsh
Waters
Watt (NC)
Waxman
Weldon (PA)
Weller
Whitfield
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zimmer

NAYS—161

Allard
Archer
Armey
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bliley
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunning
Burr
Burton
Callahan
Calvert
Camp
Campbell
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cubin
Cunningham
Davis
DeLay
Dickey
Doolittle
Dornan
Dreier
Dunn
Ehlers
Ehrlich
Emerson
Everett
Ewing
Fawell
Fields (TX)
Fowler
Frelinghuysen
Funderburk
Gekas
Geren
Gilchrest
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hoekstra
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Jones
Kasich
Kim
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
Laughlin
Lewis (KY)
Lightfoot
Linder
Livingston
Lucas
Manzullo
McCollum
McCrery
McInnis
McIntosh
McKeon
Meyers
Mica
Miller (FL)
Montgomery
Myers
Myrick
Nethercutt
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Radanovich
Rohrabacher
Roth
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shuster
Skeen
Smith (MI)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Vucanovich
Walker
Wamp
Watts (OK)
Weldon (FL)
White
Wicker
Wolf
Zeliff

NOT VOTING—5

Engel
Franks (CT)
Hancock
Molinari
Ward

☐ 1102

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

So the question of consideration was decided in the affirmative.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. HANCOCK. Mr. Speaker, on rollcall No. 191, I voted prior to time and the register failed to record the vote. Had I been present, I would have voted ''no.''

PERSONAL EXPLANATION

Mr. WARD. Mr. Speaker, I was unavoidably absent during the record of rollcall vote No. 191. Had I been present, I would have voted ''yea.''

The SPEAKER pro tempore (Mr. WALKER). The amendment having been designated, the gentleman from California [Mr. RIGGS] and a Member opposed each will control 45 minutes.

Is there a Member who wishes to be recognized in opposition to the amendment?

Mr. BALLENGER. Mr. Speaker, I rise in opposition to the amendment.

The SPEAKER pro tempore. The gentleman from North Carolina [Mr. BALLENGER] will control 45 minutes.

The Chair recognizes the gentleman from California [Mr. RIGGS].

PARLIAMENTARY INQUIRY

Mr. RIGGS. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. RIGGS. Mr. Speaker, I seek the direction of the Chair because I would like to yield 20 of my 45 minutes of time to the other side, to the gentleman from Missouri [Mr. CLAY], and then I would like to further ask if I would be doing that under unanimous consent and ask further unanimous consent that Mr. CLAY be entitled to allocate that 20 minutes as he sees fit?

The SPEAKER pro tempore. The gentleman may make that request by unanimous consent.

Mr. RIGGS. Mr. Speaker, I do so ask unanimous consent.

The SPEAKER pro tempore. The gentleman asks unanimous consent that the gentleman from Missouri [Mr. CLAY] be granted 20 minutes of his 45 minutes, and further that the gentleman from Missouri may be able to control that time and yield time under his 20 minutes.

Is there objection to the request of the gentleman from California?

There was no objection.

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

Mr. Speaker, let me just explain to our colleagues and to the American people the very straightforward amendment I am offering today.

My amendment would increase the Federal minimum-wage guarantee from the present $4.25 an hour today by 50 cents to $4.75 on July 1 of this year and then further increase the minimum wage by 40 cents, from $4.75 an hour to $5.15 an hour effective July 1, 1997.

My minimum wage is intended, as I said in my earlier remarks, to increase the minimum wage for inflation, but I want to point out to my colleagues that my amendment will not adjust the minimum wage to a level that would be commensurate with inflation. In fact, if we go back to January 1, 1978, the date that the Congress first amended a minimum wage guarantee for American workers, and took that initial statutory minimum wage of $2.65 an hour and adjusted it for inflation using the Consumer Price Index to the present day, the minimum wage today should be more on a par of $6.64 an hour.

Mr. Speaker, I will yield 3 minutes to the gentleman from New York [Mr. QUINN], at this point, but I would like to point out, Mr. Speaker, before going to Mr. QUINN, that he has been the lead proponent of the minimum-wage increase and he is the primary reason why 76 House Republicans just voted to allow a debate on this floor on the minimum-wage amendment.

Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. QUINN].

Mr. QUINN. Mr. Speaker, I would like to thank the gentleman from California [Mr. RIGGS] for yielding me 3 minutes this morning.

Mr. Speaker, I take this opportunity to speak to all of our colleagues on both sides of the aisle today as we move forward to discuss and to vote on eventually the Riggs-Quinn amendment.

Mr. Speaker, for the last 2 months there has been a lot of hard work done on this issue by a lot of Members in the

Chamber. For the purposes of our side of the aisle and the Republican side, it is an opportunity for me now to thank our leadership who have worked hard and long with us to finally bring this vote, an up or down vote, on raising the minimum wage to a vote on the floor of the House.

I have said since I began in the last 2 months this is a very simple issue; indeed the bill that the gentleman from California [Mr. RIGGS] and I have put together for our colleagues' consideration today is only 17 lines long; that as we talk about raising the minimum wage for people all across this country and back in our own congressional districts, it is not a complicated matter at all. We have an opportunity right now to talk about the minimum wage not being raised in less than 6 or 7 years, and during that time the cost of living in every other aspect, whether it is gasoline, whether it is food, clothing, sneakers, school books for our kids, the cost of that over these last 6 or 7 years has all gone up, and the minimum wage has stayed the same.

At the same time, in Federal agencies across the country, in statehouses, in counties, everybody is talking about welfare reform, that we should make our best attempt to get people off of welfare and into jobs. I suggest to the membership today, Mr. Speaker, that when someone makes the minimum wage for 40 hours a week, and someone makes $8,840 and they are below the poverty level for this country, that is not making an honest wage.

I suggest to our membership that it is time to give Americans a raise, that we have worked long and hard. We will be debating later on this afternoon different amendments, but it is not a complicated matter.

I urge all of our colleagues to vote ''yes'' on the Riggs-Quinn-English-Martini amendment, and I want to thank all of our colleagues on both sides of the aisle for making us and getting us to this point today where we get a vote.

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

Mr. Speaker, sound public policy frequently takes a back seat to election year politics—and there is no clearer example of this than the current debate on raising the minimum wage. We have all heard the rhetoric from the other side, where day after day my colleagues have taken to the floor to argue that we need to help working families by increasing the minimum wage. They have painted a picture that the average minimum wage worker is a head of a household who is trying to support a family earning the minimum wage, just $8,840 a year. Well—that picture is phoney—just as phoney as the arguments of those who would vote to increase the minimum wage. According to data from the U.S. Census Bureau, only 11 percent of all workers earning $5.15 an hour or less are the sole supporters of their families. More than 35 percent of minimum wage earners are teenagers or other workers living with their parents and only 2.8 percent are single parents supporting a family.

Raising the minimum wage is not an effective way to help the working poor. President Clinton said so himself just last year. In fact, minimum wage jobs are often the first rung on the ladder of upward mobility. Increasing the wage to $5.15 or higher just moves that rung beyond reach, making it harder for those with few skills and training or limited education to get a first job. Research shows that 63 percent of minimum wage workers earn higher wages within 12 months, and some 40 percent will receive their first raise within 4 months. Not too long ago, an article appeared in the Wall Street Journal that clearly illustrated this point. It was written by a manager of the Angus Barn in Raleigh, NC. She was a single mother with two children, barely surviving on welfare. Today, she manages one of the largest and most popular restaurants in North Carolina. The key to her success was a minimum wage job. This starting job taught her the skills she needed to keep moving up the career ladder and opened the door for her to advance to better and higher paying positions. By raising the starting wage—we will be denying opportunities like this to thousands of workers. And consider that at this same time, we're trying to move unskilled people off welfare and into the workforce—we're eliminating the jobs they will need.

It's well known by economists and lawmakers that higher minimum wages lead to job losses. Dozens of studies show that raising the minimum wage costs entry-level job opportunities, and does not help the poor. Even the non-partisan Congressional Budget Office report indicates that an increase in the starting wage could cause employment losses in the range of 100,000 to 500,000 jobs. Other economic studies point to even higher job losses. If the wage rate is hiked up to a new level, my home state of North Carolina will lose an estimated 19,100 jobs. A 90-cent increase in the wage rate is meaningless for the person who no longer has a job.

A minimum wage increase is the modern day ''magic potion'' of election politics. It makes the political establishment feel good—''see, we've taken care of the problem of low wages'' and it pretends to help people who need help. But, in reality it does more harm than good, costing some low-wage workers their jobs and raising the cost of essential goods which make up the biggest part of these families' budgets. But increasing, the minimum wage, the Congress is hurting job creation and opting for politics over sound policy.

□ 1115

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

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Speaker, my good friend, the gentleman from North Carolina, may want to know that if we pass a minimum wage increase that 345,000 workers in North Carolina will see an increase in their wage. That is a pretty good tradeoff if those jobs are really lost, but I do not think they will be.

Mr. CLAY. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, first of all, I would like to thank the gentleman from California [Mr. RIGGS] for yielding the time to me.

Mr. Speaker, I rise to support the Riggs-Quinn amendment increasing the minimum wage by 90 cents.

Since the minimum wage was last increased on April 1, 1991, inflation has eroded its real value by fifty cents. By the end of this year, the purchasing power of the minimum wage will be at its lowest point in 40 years.

Some of my colleagues on the other side of the aisle claim that it is not important to raise the minimum wage because the only minimum wage workers are high school students earning extra spending money. That is but one of the many lies and distortions hustled by opponents of the minimum wage. The average minimum wage worker is responsible for one-half of his or her family's income. Half of all minimum wage workers are working full time. Sixty-three percent of all minimum wage workers are at least 20 years old.

The amendment before us will directly impact the wages of 12 million workers; 300,000 people, including 100,000 children, will see their family income raised above the poverty line as a direct result of this amendment. But the benefits of this amendment extend beyond those who will see their wages increased as a direct result of its enactment. As study after study has shown, a modest increase in the minimum wage will strengthen the economy, by increasing the ability of workers to also be consumers.

Finally, this amendment should be adopted as a matter of basic fairness. It is a basic tenet in this country that our citizens should be self-sufficient. Members come to this well time and time again railing against the poor and preaching about self-sufficiency. But how in the world can a person be self-sufficient working full time, earning just $8,500.00 a year? I urge my colleagues to support this amendment.

Nevertheless, let me caution my colleagues about the Goodling amendments. I strongly oppose his amendment that restores a subminimum wage and robs computer operators and restaurant workers of some of their hard-earned wages. Let me make myself perfectly clear about the other Goodling amendment. As important as it is to increase the minimum wage, I will oppose this legislation on final passage if the Goodling small business

exemption is adopted. I will not support a minimum wage bill that excludes millions of workers from Federal minimum wage and overtime protections.

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

Mr. RIGGS. Mr. Speaker, I yield 2 minutes to the distinghished gentleman from New York [Mr. GILMAN], chairman of the Committee on International Relations.

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

Mr. GILMAN. Mr. Speaker, as an original cosponsor of the minimum wage increase of 1996, I am pleased to rise in support of the minimum wage amendment to the Employee Commuting Flexibility Act. This measure, increasing the minimum wage by 90 cents over a 2-year period, is a proper step in closing the wage gap in our Nation and enabling our working families to make ends meet.

Many of our employers in my region are already paying more than the current minimum wage. I commend the gentleman from New York [Mr. QUINN], the gentleman from California [Mr. RIGGS], the gentleman from Pennsylvania [Mr. ENGLISH], and the gentleman from Connecticut [Mr. SHAYS] for their leadership in this effort, and also the leadership on our side of the aisle for bringing this measure to the floor.

Mr. Speaker, when this body last addressed this issue in 1989, the bipartisan proposal was supported by 80 percent of all Republican legislators. At that time the minimum wage was $3.35 an hour and increased to $4.25 an hour. According to the Department of Labor, over 4 million workers are paid the minimum wage, and 40 percent of those workers are their family's only wage earner.

Mr. Speaker, it is inherently wrong for Congress to freeze the minimum wage for working families while at the same time increasing congressional pay. During that same time frame, Mr. Speaker, CEO's who have said that this modest proposal will eliminate jobs have allowed their incomes to increase by leaps and bounds.

It is now time for this body to take the same prudent action that this body took in 1989, and to assist those who work hard for an hourly wage which has remained stagnant since 1989. America's working families need a raise. Accordingly, Mr. Speaker, I strongly urge my colleagues do support this long-needed measure.

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

Mr. Speaker, I would like to note for the record that New York will face the loss of 29,900 jobs if the minimum wage is increased. Up to 500,000 jobs will be eliminated nationwide.

Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Speaker, I never thought I would see this day, but I rise in opposition to this amendment offered by my good friend, the gentleman from California [Mr. RIGGS]. Increasing the minimum wage makes minimum sense.

As a former small businessowner, I remember well what intrusive government mandates did to my business. It hurt the bottom line, it hurt productivity, it hurt competitiveness, and more important, it hurt my ability to create jobs. Mr. Speaker, that is what my Democrat colleagues refuse to talk about. They will not talk about the opportunities lost. They will not talk about the jobs that are not created. They will not talk about those people who cannot get off welfare because they cannot get the chance to get a job that was killed by another Washington mandate. But that is the most important part of this debate. The Democrat Party is to job creation what Dr. Kevorkian is to health care, a job-killer cloaked in kindness.

My colleagues on the other side of the aisle have made this debate an argument of fairness. They say that it is unfair for starting workers to make dramatically less than corporate CEO's. I am not going to respond to that kind of economic mumbo-jumbo. But let me ask this: Is it fair to kill the opportunities of people who want to work but cannot because of this unfunded mandate?

My friend, the gentleman from Texas, will stand up and talk about the number of workers that will not see their wages go up in the State of Texas. How about the number of workers in his own district that will not have a job available for them when they want to go to work? Is it fair to kill jobs in order to cure political headaches? Is it fair to make job creation too expensive for the various small businesses? That is the kind of fairness that liberal Democrats conveniently ignore.

The most amusing aspect of this debate is its timing. When Democrats ran the Congress just 2 years ago and had the White House, not once did they talk about raising the minimum wage. They were too busy raising taxes on middle-class families. But now that they have been thrown out of power, they have seized on this issue as their saving grace. This saving grace for the Democrats is a coup de grace for thousands of entry-level jobs. It is those people who want just a chance to have the opportunity to get a job, a chance to achieve the American dream, who are most victimized by this unfunded mandate.

Mr. Speaker, increasing the minimum wage is the wrong way to provide more opportunities for the American people. It is a political throwaway which will do away with thousands of jobs. For that reason, I urge my colleagues to vote against it.

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Speaker, my good friend from Sugarland, TX knows that in Texas 1,100,000 people will get a minimum wage increase.

He knows why the President did not increase the minimum wage. We were trying to provide health care, and we could not do both on small businesses. Since health care reform did not pass, now we have to try a minimum wage increase.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. DIXON].

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

Mr. Speaker, I rise in strong support of increasing the minimum wage. The gentleman from Texas [Mr. DELAY] indicated that it hurts the bottom line. The bottom line are the families in this country that are only making $8,500 to $8,900 a year, who deserve to be heard and deserve recognition for their work efforts.

Mr. Speaker, two out of every three people who are receiving the minimum wage are adult workers. Four in 10 are raising entire families. They are breadwinners for their whole family on this amount of money. Over a 2-year period, this will cause their wages to go up $1,800. Eighteen hundred dollars for someone making less than $9,000 is substantial. It pays for 7 months' utilities, it can afford a college tuition for a 2-year college, it can bring a family closer together with the American public, who are making much more than any minimum wage efforts.

Mr. Speaker, most important, since 1989 we have not addressed this issue. How many working Americans can say that they have had no raise since 1989?

Mr. Speaker, I rise in strong support of the Riggs amendment to increase the Nation's minimum wage.

Nearly two-thirds of minimum wage workers are adults, and 4 in 10 are the sole breadwinners of their families. I realize it may be difficult for many Members of this body to fully comprehend the practical impacts of life on a mere $8,500 a year. That's not a lot of money for one person, much less a family struggling to provide basic necessities.

To that family, a 90-cent increase in the minimum wage over the next 2 years for the family breadwinner would generate an additional $1,800 in potential annual income and $1,800 could buy: 7 months of groceries; 1 year of health care costs; 9 months' worth of utility bills; more than a full-year's tuition at a 2-year college; and basic housing costs for almost 4 months.

But the purchasing power available to a minimum wage worker will soon fall to its lowest level in more than 40 years. This means less food on the table for hungry children; less medicine for the cold and flu season; no dental checkups; and a higher portion of income going to pay for the rent and utility bills.

Mr. Speaker, we can debate the statistics on the impacts of increasing minimum wage until we're blue in the face. The bottom line is that we're not just talking about numbers. We are talking about families—responsible, working families, who are just getting by. If this body is really serious about reducing spending on welfare and reforming the system to move

people into the workplace, we must embrace a livable minimum wage. American workers and families deserve no less.

I strongly urge my colleagues to support the Riggs amendment and oppose the Goodling amendments to eliminate minimum wage protections for millions of American workers.

Mr. RIGGS. Mr. Speaker, I yield 2½ minutes to the gentleman from Pennsylvania [Mr. ENGLISH], another original cosponsor of the minimum wage amendment.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of the Riggs-Quinn-English-Martini amendment to raise the minimum wage. Mr. Speaker, I would like to bring this debate out of the realm of the abstract and frame it in human terms. In my congressional district in western Pennsylvania, I have seen far too many families supported by one or more members working at minimum wage jobs. These hardworking folks could easily surrender and join the welfare system, but they do not. Instead of taking tax money, they pay it.

We have single mothers who support their kids on a minimum wage job. Some of my district's seniors add a little extra by taking minimum wage jobs. These are not just jobs for teenagers and college kids. Four million Americans work for the minimum wage, and 40 percent of them are their family's only wage earner. That is a lot of hardworking people who need a raise.

The problem facing all of these people is that the minimum wage now buys less, far less than it has at any time in the past 40 years. That means less gas, less groceries, and less rent. It is only fair that at this time we consider a raise. Remember, if the minimum wage is at a 40-year low in buying power, it is at a historic low as a business expense. The reasonable wage increase we offer here today is designed to have a minimal impact on businesses and jobs, and a maximum impact on the working poor.

To our critics, I ask them why they think a reasonable minimum wage hike will cost jobs. We have seen no ill effects in those 15 States that have already raised their minimum wage rates. Pennsylvania's neighbor, New Jersey, appears to have suffered no ill effects in the fast food industry when it raised the minimum wage. To those who still believe we should not raise the minimum wage, I say it is our fundamental responsibility. Remember several things.

□ 1130

The minimum wage provides vital minimum protection for workers, especially those who lack union membership or who have little negotiating strength. Congress serves as the ultimate bargaining representative for those workers.

Let us also look, not only does increasing the minimum wage benefit the employed, it also makes work more attractive to the unemployed, encouraging the transition from welfare to work. This is one of three keys to welfare reform. Let us raise the minimum wage, and in doing so we will guarantee that many on the margins of our economy will have an opportunity through hard work to share in our great bounty.

The SPEAKER pro tempore (Mr. UPTON). The Chair would note the gentleman from California [Mr. RIGGS] has 17 minutes remaining, the gentleman from North Carolina [Mr. BALLENGER] has 38¼ minutes remaining, and the gentleman from Missouri [Mr. CLAY] has 16½ minutes remaining.

Mr. BALLENGER. Mr. Speaker, I would like to note for the record that Pennsylvania will face a loss of 27,400 jobs if the minimum wage is increased.

Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. Mr. Speaker, the biggest single problem facing lower income Americans, especially those with children, is that they face a crippling array of marginal tax rates that almost completely destroys their incentives to try to earn more income. They are virtually trapped at low incomes.

That same array of taxes on additional income will take away most or all of a minimum wage increase from the very people everyone talks about helping—that is, minimum wage earners supporting children.

Childless people are above the poverty line if they work full time at the current minimum wage. They are not usually the folks we shed tears over when we talk about increasing the minimum. It is family heads we are concerned about. But in virtually all cases, parents earning the minimum wage will also receive food stamps, the earned income tax credit, child care subsidies, Medicaid, and possibly housing subsidies, as well as other benefits like school lunch, Head Start, WIC, and energy assistance.

As earnings go up, many of these benefits go down, effectively canceling out most or all of the earnings gain. That is the marginal tax problem, and it hamstrings people all the way up the scale to incomes in the high twenty thousands.

In a forthcoming paper, Gene Steurle and Linda Giannarelli of the Urban Institute show the combined tax effects on a single mother of two children in Pennsylvania, an average State, as her earned income moves through various stages from zero all the way up to 300 percent of the minimum wage. Between full time minimum wage earnings and 150 percent of the minimum wage, she faces a combined tax rate of 101 percent. That is, a 50-percent earnings gain produces a $58 a year drop in disposable income. If she boosts her earnings from 150 percent of the minimum to twice the minimum, she faces a combined 95 percent tax rate on those additional earnings. She is only $175 per year better off at twice the minimum as she is at the minimum wage. Even without a housing subsidy, she faces marginal tax rates of about 73 percent.

So, Mr. Speaker, raising the minimum wage is a cruel hoax on low-skilled parents. First, it puts their jobs in danger. If they keep their jobs, they wind up with little or no more income, but they will face higher prices for many of the things they have to buy. Instead of trying to score political points through Government price-fixing in the labor market, we should be working to provide economic opportunity to all low income Americans by slashing the extortionate tax rates that are destroying their ability to improve their lot.

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Speaker, my good friend and colleague from Wisconsin, who serves on the Committee on Economic and Educational Opportunities, would actually see an increase of 210,000 workers who would see a pay increase if we pass the Riggs amendment.

Mr. BALLENGER. Mr. Speaker, I would like to note for the record, Pennsylvania will lose 27,400 jobs.

Mr. Speaker, I yield 4 minutes to the gentleman from Arkansas [Mr. HUTCHINSON], a member of the committee.

Mr. HUTCHINSON. Mr. Speaker, I appreciate the gentleman yielding me time. I have been perplexed. I have asked and I have asked and I have asked Members of the other side of the aisle why this was not done 2 years ago. If they feel so passionate about it, if this is the great means by which we are going to help poor working people, why, when they held the House, when they held the Senate, when they held the White House, they did not bring this to the floor.

Well, I think I know why, because the President at that time said that raising the minimum wage is the wrong way to help poor working people. That is why they did not do it. They knew that this is not really going to help the working poor of this country. The Democratic Leadership Council said the same thing, and still says the same thing, that raising the minimum wage is the wrong way to do this.

Joseph Stiglitz, the President's own former chairman of the Council of Economic Advisers, when he was an economics professor, this is the man who worked for the President, he said ''only about 10 percent of the people in poverty work at jobs that pay at or near the minimum wage,'' and then he said, as he concluded, ''the minimum wage is not a good way of trying to deal with problems of poverty.''

That is why it was not done. That is why it should not be done now. The reason this is being done is because there is an election in November. It is the wrong way to help the working poor.

I think Gail Robbins, and here is a picture of Gail, is a good example of

why we should not raise the minimum wage. Gail began waitressing at a truck stop when she was 15 years old to escape her abusive parents. She moved on to work at a Howard Johnson's in New Jersey for 47 cents an hour. She is now 55 years old. She is working on her college degree.

She and her husband own a Pizza Inn franchise where she hires disadvantaged individuals at minimum wage. Many of these people are mothers living on food stamps. Gail is adamantly opposed to an increase in the minimum wage because she will no longer be able to offer minimum wage jobs to the people who need them most.

It is a very poor way of really helping the working poor, if that is what our goal is, and I trust it is. Where does it go? According to the U.S. Census Bureau data, more than 35 percent of employees whose wages would be increased by this proposal to raise the minimum wage by 90 cents live with their parents. Surprisingly, maybe not surprisingly, more than 80 percent either live with their parents, live alone, or have a working spouse. Now listen to this. Only 2.8 percent of those who will get an increase under this minimum wage proposal are single parents with children, only 2.8 percent.

So I suggest to my colleagues there is a better way. We can reform, we can refocus and we can retarget the earned income tax credit. We can in fact raise the take home pay of those who most need it, the working poor, those on minimum wage with children, and we can do it in a way that does not have the negative impact of a minimum wage increase.

That 90-cent increase on the minimum wage, where does it go? Well, that person will find that 21 cents they will lose in a reduction in their food stamp eligibility. They will pay 8 cents more out of that 90 cents in FICA taxes. They will lose as much as 14 cents an hour from their earned income tax credit. If they happen to live in public housing, they will pay 27 cents an hour more in their rent at their public housing. That leaves them, under this scenario, about 20 cents out of the 90 cents that we are increasing the minimum wage.

I suggest to my colleagues that common sense and logic would tell us that is the wrong way, if we really care about the working poor. There are compassionate alternatives. Republicans have come up with compassionate alternatives to show that we can help the working poor without costing a half million jobs among those who need them most.

How can we say we care about those who are working minimum wage and then say we are going to, in a political season, to gain a few political points, rob hundreds of thousands of those who need those jobs most of their employment? Tell that single mom with two children, ''You lost your job because we wanted to score political points.''

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Speaker, let me point out to my colleague from Arkansas that over 50 percent of the people over 25 will receive a minimum wage increase. In fact, in the State of Arkansas 158,000 workers will see a minimum wage increase if this bill is passed and the Riggs amendment is passed.

Mr. RIGGS. Mr. Speaker, I yield 3 minutes to my good friend and colleague, the gentleman from Massachusetts [Mr. BLUTE], another original cosponsor of the minimum wage amendment.

Mr. BLUTE. Mr. Speaker, I rise today in strong support of the Quinn-Riggs-Martini-English amendment raising the minimum wage for America's low-income workers, and also in strong support of the Small Business Job Protection Act.

We have an opportunity today to do something that we have never done before in the Federal Government, simultaneously raise the minimum wage while helping small businesses to create jobs, a win-win situation for the American worker.

A minimum wage increase such as the one we proposed today can and should help our low-wage working families, and the tax and regulatory relief proposed by Chairman ARCHER in the Ways and Means Committee can and should create jobs in our country. As we seek, as a matter of national policy, to replace welfare with work, we can make real work pay in the real world, allowing low-wage workers a measure of dignity and self-sufficiency.

While it is very true that a worker needs a job opportunity first and foremost, and it is important that our economic policies reflect that, it is also fundamentally true that a job opportunity must provide sufficient support, lest we create cross pressures and disincentives to work that ultimately will discourage the very work we seek and foster the welfare culture that has been an unmitigated disaster for America and for too many of our fellow citizens. We know our welfare system does not work. We know it creates victimization, dependency, and ultimately despair. The President should sign our welfare reform plan that replaces welfare with work, but we should also today enhance those efforts by making real work pay.

Let us today strike a blow for hope. We can help small businesses create job opportunities, lower their tax burden and allow them to divert more of their resources to job creation rather than to big government. But we can also help America's struggling workers to view an honest day's work as something far more beneficial to them and their families than the dead end of dependency and welfare. Support the Quinn-Riggs-Martini-English amendment.

Mr. BALLENGER. Mr. Speaker, I would like to note that the State of Massachusetts will face a loss of 4,000 jobs if the minimum wage is increased.

Mr. Speaker, I yield 1 minute to the gentleman from South Carolina [Mr. GRAHAM], a member of the committee.

Mr. GRAHAM. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I think we are detecting a pattern here. Somebody is going to get up and say that X amount of people lose jobs in a congressional district or State, and somebody on the other side is going to get up and say X amount of people get more money. I would like to say this. Why can the greatest Nation in the world with very smart people not increase take-home pay without costing anybody their job?

I have yet to have anybody come down here and deny the fact that we are going to have between 100,000 and 500,000 people lose their job if we raise the minimum wage. Using their own numbers, 37 percent of the people earning minimum wage are under 20. One gentleman said, well, 19,000 people may lose their job, but three hundred and some thousand will get a pay increase. That is not a good trade-off. Go tell it to the 19,000. If you are at a football stadium this year, remember this. If it is a 100,000-seat stadium, everybody sitting in the stadium is going to be some kid without a job.

We are the greatest nation in the world. We should be able to do better. Because President Clinton has the ability to flip-flop with style and grace on an issue that is going to cost people jobs, that is no reason for my party to follow along.

Mr. CLAY. Mr. Speaker, I yield 15 second to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Speaker, to my colleague from South Carolina, South Carolina would see an increase of 196,000 workers who would see a pay increase. That is a pretty good size football stadium.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK of Hawaii. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I think it is important to recognize that of the 3,660,000 workers in the United States who work for the minimum wage, that 63 percent of that number are women, and 82 percent of that number are white. We are talking about a very large number of women in this country that are going to be affected if we do not do the responsible thing today, and that is to raise the minimum wage.

We have made work an enshrined ethic. As we talk about the debates on welfare reform, we have constantly said the most important thing we can do to reform welfare is to force people to go to work. The Members who oppose raising the minimum wage today are the very first individuals who stand up here and say these individuals on welfare ought to be made to go to

work. Surely if Congress is going to force work, it should be at wages that can reasonably support the family. That is what welfare reform is all about.

□ 1145

The reformers talk about self-sufficiency, personal responsibility, and the ability to support your own family. If we do not raise the minimum wage, these workers earn only $8,840 a year. You cannot support a family on that amount of money.

We have to get real. We have to understand that the wages of these individuals must be raised in order to earn enough to survive. Even at the $5.15 an hour wage, that is only $10,712 a year. It is important also to know that we have Earned Income Tax Credit. Again, this is because we want to honor people who work by giving them a refund of the taxes that they pay. If we raise the minimum wage, that public budget cost will be reduced, obviously. So it is a savings on the budget, as well as the right thing to do for our families.

Mr. BALLENGER. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. DREIER].

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

Mr. DREIER. Mr. Speaker, I want to congratulate my colleagues, on both sides of this issue. I am convinced that everyone in this House sincerely wants to see an improvement for those who are at the lower end of the economic spectrum.

The other night I was snuggling up on United Airlines with my U.S. News and World Report and happened to read the letters to the editor, and saw this very thoughtful piece from Ed Grady from St. Paul Park, MN, where he says:

> The legislated minimum wage is a classic example of a good intention and a bad idea, the idea being that government, by simple decree, can increase the earning power of all marginal workers. This line of thinking runs counter to the basic principles of a free society. Government edicts do not make wages rise; they rearrange and redistribute existing wealth. Wages rise in response to the creation of new wealth through greater productivity. Government cannot create or produce anything.

Mr. Speaker, we should in fact reject this. We should improve the standards of those at the lower end of the economic spectrum by decreasing the tax and regulatory burden imposed on the private sector. Let us proceed as quickly as possible with a responsible measure.

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentleman from Texas [Mr. GENE GREEN].

Mr. GENE GREEN of Texas. Mr. Speaker, to my colleague from California, 1.3 million workers will see a pay increase if the minimum wage is passed. The gentleman's quote from U.S. News and World Report is straight out of Adam Smith, but it is more like the Addams Family.

Mr. BALLENGER. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. CAMPBELL].

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

Mr. CAMPBELL. Mr. Speaker, we have a tradeoff between losing jobs and increasing the earnings of those who still have their jobs. I think that is an honest way of putting this debate. I do not think there is any economic disagreement that if you increase the minimum wage, you do actually lose jobs, and I do not think there is any disagreement that for those who keep their jobs, they will have higher income. So it is a tradeoff between the two.

I have been taking notes on today's debate, and I suspect that my colleague from Texas will say that there are 1.3 million Californians who would benefit from an increase in the minimum wage, and I suspect my colleague from North Carolina would point out there are 63,000 jobs that would be lost in California if there is an increase in the minimum wage. So assuming both numbers are right, I just ask you, does this tradeoff make good sense? Does it make good sense?

If you want to increase the earnings of those people at the bottom of the income level, the way to do it is by an increase in the earned income tax credit, which means all of us pay for it. But if you increase the earnings of the people at the bottom of the income level by increasing the minimum wage, you make those people who offer jobs to those most in need of them pay the freight. You increase the tax on those whose only sin is that they have actually done something to give somebody a job.

People lose jobs with the increase in the minimum wage, but it is not across the board. The increase in the minimum wage has a peculiarly deleterious effect on those starting out, particularly on the young, particularly on minorities. We have heard from Professor Joe Stiglitz, my colleague on the Stanford faculty and now chairman of the Council of Economic Advisors. In his textbook he pointed out, ''In the United States, perhaps the major unemployment effect of minimum wages is on teenagers.''

He is quite right. This was shown in the 1981 Congressional Minimum Wage Commission study that pointed out that what you have is about a 1 to 3 decrease in employment for every 10 percent increase in the minimum wage. So if we look at this as a 21-percent increase in the minimum wage over two years, we would see employment falling between 2 and 6 percent as a conservative estimate among teenagers, among those getting their start in the job force.

Now, what of the poor? It is essential that we show compassion, that we do all we can to help the poor, and it just makes no sense to tell a poor person you do not have a job; but if you did, it would be at a higher wage. Does it?

What makes sense is to say we will keep you employed, and, through the tax base, supported by all of us, as opposed to using a penalty on those who offer the job, we will help your earnings increase.

The numbers that I have are that 214,000 American workers support their families on the minimum wage. Obviously I would like that to be zero. But the question is, are you prepared to benefit the 214,000, by costing others, estimated as more than 500,000, their jobs? Realize that there will not even be the 214,000 benefited after you have increased the minimum wage, there will be fewer left to benefit, because of those who will lose their jobs?

To me, the argument is very clear. we mean to do good, but we are using a very dangerous means to do good. There are better means to do good.

I want to close by a comment to my colleagues who, like myself, consider the title ''moderate'' as a compliment. Moderate Republicans particularly like to pride ourselves on saying that we do not go with the knee-jerk process of thinking; that we try to address each issue on its merits, whether it is gun control, or a woman's right to choose, or the environment. Please, apply your independent, moderate Republican thinking.

And to my Blue Dog Democrat colleagues, apply your independent economic thinking, as well, to realize it is wrong to cost a person a job.

Mr. RIGGS. Mr. Speaker, let me note that the time to raise the minimum wage is during the period of relatively low unemployment and inflation, as we are currently experiencing.

Mr. Speaker, I yield myself 1½ minutes for the purpose of engaging in a colloquy with the gentleman from California [Mr. WAXMAN].

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

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

Mr. WAXMAN. Mr. Speaker, I rise in support of this important legislation to increase the minimum wage.

I am well aware of the likely impact of this increase on the Medicaid program, of which nursing home services are the largest part of that spending. Nursing homes employ large numbers of minimum wage workers. Since most nursing home funding is reliant on government-set payment rates, minimum wage increases will have a direct and significant impact on nursing facilities.

Mr. Speaker, I am concerned there will be adequate funding to maintain the level of quality we fought so hard for. Current Medicaid law requires that rates which States pay to nursing homes be reasonable and adequate to meet their costs and to be in conformity with applicable State and Federal laws. Certainly the Fair Labor Standards Act is an applicable Federal law.

I feel we should reaffirm for the record that current law requires States to adjust their nursing home reimbursement rates to take into account the increased costs that nursing homes

incur in complying with the increase in the minimum wage.

I would like to ask the gentleman if he agrees with this position.

Mr. RIGGS. I appreciate the gentleman's concern and would like to say, while the increase in the minimum wage will help in the retention of quality care givers, it is important to me it not be a source of financial strain which may negatively impact on the ability of facilities to provide care to the frail, elderly and the Medicaid program.

We must work together to ensure adequate funding for the States to maintain nursing home standards.

Mr. BALLENGER. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. STEARNS].

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

Mr. STEARNS. Mr. Speaker, I am deeply concerned with the stagnant wages that are making life more difficult for so many working Americans. I believe that Congress should best address this problem by cutting taxes, balancing the budget, and spurring economic growth. Increasing the minimum wage is an unfunded mandate on American businesses, on the States and the local governments. It is not the way to go.

Mr. Speaker, this is not the right way to get the money to the people who need it. Already those minimum wage earners who have families are eligible for food stamps and the earned income tax credit. All government supplements consider the very least a family of four can earn is currently $7.40 an hour. So the question we hear from the Democrats when they say no one can afford to raise a family on minimum wage, frankly, my colleagues, no one actually is.

I would like to conclude, Mr. Speaker, by saying many of us have sponsored a bill by the gentleman from Iowa [Mr. LIGHTFOOT] in which we decided the best way to handle this issue is let each State decide if they are going to increase their minimum wage and not have it on a Federal level. That is the proposal we should be voting on.

Mr. Speaker, I rise today to voice my concerns about the proposal to mandate an increase in the minimum wage and to support the Goodling amendments.

The Democrats have pushed and pushed this political issue, and today they're finally going to finally get what they want: increased unemployment, a multi-billion dollar mandate on the State and local governments, more welfare dependency, higher unemployment and inflationary price increases. All in the name of class warfare. They want to compare the salary of Bill Gates to that of a 18 year old. But they forget that Bill Gates worked for minimum wage too and was glad to get that first job.

This is not the right way to get money to those who need it. Already, those minimum wage earners who have families are eligible for food stamps and the earned income tax credit. All government supplements considered, the very least a family of four can earn is almost double the minimum wage. Why aren't the Democrats acknowledging this? So when you hear Democrats say no one can afford to raise a family on minimum wage, frankly, no one actually has to.

If the Democrats truly want to increase family earnings, if they truly want to help those who need assistance, then I suggest that we do just that—that instead of passing unfunded mandates, we better target the EITC, we reform welfare, and we enact legislation with incentives that encourage job creation, not discourage it.

At least we have a compromise in the Goodling amendment, which offers small businesses incentives and opportunities so that they may offer workers jobs at competitive prices. This, coupled with H.R. 1227 and H.R. 3448 will work to create jobs and help Americans, not hurt them like the unqualified mandated increase in the minimum wage.

As Teddy Roosevelt once said, "the most practical kind of politics is the politics of decency." I urge my colleagues, do not hurt the people that we were elected to help. Oppose the effort to eliminate thousands of jobs, the effort to create inflation, and the effort to worsen our Nation's welfare problem.

Support the Goodling amendment.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Speaker, this amendment being offered by the Republican Member from California, Mr. RIGGS, is a fine example of what Democrats can do when we are persistent in our demands for justice for workers. The Republican leadership resisted and resisted and resisted. Finally, some Republicans, such as Mr. RIGGS, who have heard from their low wage working families, have been brave enough to say no to NEWT GINGRICH and DICK ARMEY.

Mr. Speaker, I would now like to ask all of those Republicans who support this Democratic initiative to stay the course, stay in this fight, and resist the Goodling amendment that will come after this vote. In particular, the Goodling amendment will undermine the minimum wage increase and exclude some 10.5 million workers in certain businesses.

Members cannot give with one hand and then take back with the other hand. Those who claim they are now in support of the minimum wage increase must stay this course if they are to have any credibility.

I sincerely thank the gentleman from California [Mr. RIGGS], and his allies in this effort for joining the Democrats on this most important initiative to increase the minimum wage for those low wage earners who are so deserving of a little bit of support from the Members of Congress.

Mr. Speaker, for those who ask the question why was it not done early, let us get rid of that rhetoric. Then was then, and now is now. Let us do what we can do for American workers. For those who say why do they want it, I would ask my colleagues, have any of my colleagues in their lifetime ever turned down an increase in wages? If offered an increase, if offered one, have my colleagues ever said no, that will not be good for the economy; no, that will not be good for business; no, that will not be good for the American public?

Mr. Speaker, I do not think so. I think all of our lives we have taken whatever increases have come our way. Do not ask anything less of low wage workers in America. Let them have this little bit of a 90-cent increase in wages.

Mr. BALLENGER. Mr. Speaker, I would like to note for the record that California will face a loss of 63,100 jobs if the minimum wage is increased.

Mr. Speaker, I yield 1½ minutes to the gentleman from Arizona [Mr. KOLBE].

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

Mr. KOBLE. Mr. Speaker, I rise today in strong opposition to this amendment that would raise the minimum wage.

Simply put, a wage is a price—the price of labor's services. When we talk about establishing or raising the minimum wage, we are talking about price fixing. And we all should know what price fixing leads to—a distorted marketplace.

So, practically speaking, what will it mean?

Economists may disagree about how many jobs would be lost by raising the minimum wage. But they don't disagree that jobs will be lost. Estimates of the job loss range from 350,000 to 850,000. Whatever the number, one thing is certain: the low-income group that proponents claim this increase would help will surely be the ones to lose their jobs.

I think of the kid working at my corner Texaco station after school to help pay for college. He pumps gas and cleans up while higher paid mechanics work on cars. But his service is marginal, at best. Now, he's likely to be laid off and the mechanics will interrupt their work long enough to take care of other tasks.

I think of the single mother who works at the tailor shop I use at home. It's a second job for her, but it helps pay the rent and food bills. She hasn't done seamstress work for long; her productivity isn't as great as the other women who have been there for years. Will she keep her job when the owner has to increase her wage by 25 percent? Probably not.

Ultimately, my question on this issue is this: If 5 dollars and fifteen cents an hour would reduce poverty, wouldn't $20 an hour eliminate it altogether?

Better yet, why not make everyone rich by making it $50 and hour? We know how foolish that would be. So why do we think legislating a wage of $5.15 an hour makes sense? We should really be looking at things like capital

gains tax reductions, and reduced regulations on businesses that more surely and swiftly will increase both employment and wages.

I urge my colleagues to oppose the minimum wage increase.

□ 1200

Mr. RIGGS. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. MARTINI], an original cosponsor of the minimum wage amendment and a gentleman who has worked hard to bring this measure to the House floor.

Mr. MARTINI. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise today in support of the American worker and in strong support of raising the minimum wage. As an original cosponsor of the bill to raise the minimum wage, I am pleased that today we are bringing this matter to the floor for a debate and a vote.

To me this is not an issue of politics, but rather simply an issue of fairness. I do not believe this should be a partisan issue, but it is not a coincidence that this issue was raised in an election year; that, despite the fact that for 2 years they, my colleagues on the other side, had every opportunity to pass a minimum wage increase when they controlled both Congress and the White House, they did not.

Nevertheless, we need to stop playing political games and give hard working men and women a raise. Too often these individuals work long hours and often take second jobs, yet they feel like they are running in place. If we really want people to move from welfare to work, as have to make work worthwhile. Americans deserve a fair wage for a hard day's work. Raising the minimum wage will reward those able-bodied individuals who choose to work over welfare by improving their quality of life. Ultimately, that is what this debate is all about.

Mr. Speaker, I believe in raising the minimum wage, but I also believe we have an obligation to our small businesses, our mom and pop shops throughout America, to ease the Federal tax and regulatory burden placed on them. True, small businesses are often the most vulnerable and have extremely high rates of failure. Increasing the minimum wage, coupled with real small business relief, will ultimately help Americans earn more and keep more of what they earn.

I am pleased that today we will do the right thing by providing millions of American workers a living wage and restore some dignity to the workplace. I urge my colleagues to support the Quinn-Riggs-English-Martini amendment to raise the minimum wage.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentlewoman from North Carolina [Mrs. CLAYTON].

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

Mr. Speaker, I want to say that I stand in strong support for increasing the minimum wage. We have an opportunity today in America, both Democrats and Republicans, to do something meaningful for millions of working Americans.

I think it is important to note that both Republicans and Democrats are voting for this. This is not a new precedent. My understanding is that in 1990 they also voted together. So we are united in responding to the needs of the American people.

Some who are in opposition, if we would listen to them carefully, we would think they are arguing for the continuation of welfare. They say if indeed we increase the minimum wage, people will lose these benefits. It seems to me that is a counterargument that they have been advocating all the time. We want to make work pay so that people are self-sustaining and not being dependent on the government itself.

Some also say, well, raising the minimum wage certainly is not the only way. I would agree with them, raising the minimum wage is not the only way of raising people out of poverty, but it is one way.

I want to suggest what my colleague, the gentlewoman from California, Representative WATERS, said, and that is, ''That was then and now is now.'' Now we have an opportunity to do something that is meaningful. We also can add to that a combination of things, raising the minimum wage as we do the earned income tax credit.

My friend from California says this is a debate between who will lose and who will win. I hope for no adjustment at all, but in my State 300,000 people who are struggling just to put food on the table, to take care of their children, will know the benefit of making work pay because they would indeed have that as a livable wage.

Never do we want anyone to lose their job, but adjustments are made all the time. All the time. Why not make the adjustment for those who make the least in our economy, so that we can say something about the American economy; that America's economy is strong enough that those who make the least can have a livable wage.

Indeed, I know my colleague from North Carolina will say how many people will lose their jobs, but I want to tell him that thousands of people will increase their wages.

Mr. BALLENGER. Mr. Speaker, for the gentlewoman's benefit, I want to note that North Carolina will lose about 19,100 jobs, probably from the eastern part of the State.

Mrs. CLAYTON. They would also gain 300,000; 300,000 will gain.

The SPEAKER pro tempore (Mr. UPTON). The gentleman from North Carolina controls the time.

Mr. BALLENGER. Mr. Speaker, I yield 1 minute to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Speaker, I rise in opposition to the minimum wage increase. We have heard all about the conflicting numbers and the studies, but what were we being told in the election of 1994? What was the Contract With America all about?

Was it not the message the people were sending this Congress that less government is better government? Were they not saying we do not want any more unfunded mandates? And yet this is an unfunded mandate. Did they not say let us get government out of our lives?

We need to lower taxes so that people have more to spend and more to pay and so that the economy will be better. The capital gains tax, for instance, affects 60 percent of the people in America. The minimum wage affects 1 percent. Major regulatory reform would reduce the cost of labor.

It is obvious what this is all about. It is about political election year pandering. Vote ''no'' against the minimum wage amendment.

PARLIAMENTARY INQUIRY

Mr. CLAY. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state the inquiry.

Mr. CLAY. Mr. Speaker, I notice that over and over the gentleman from North Carolina has been responding to speakers without seeking time.

The SPEAKER pro tempore. The Chair would note the gentleman has been docked for the time.

Mr. CLAY. I thank the Chair.

Mr. Speaker, I yield 15 seconds to the gentleman from Texas, Mr. GENE GREEN, which I am sure will be docked.

Mr. GENE GREEN of Texas. Mr. Speaker, I thank the ranking member on my committee for yielding the time.

The gentleman from Colorado [Mr. HEFLEY] is honest about opposing a minimum wage, but in Colorado 145,000 workers will see a pay increase if the Riggs amendment is adopted.

Mr. RIGGS. Mr. Speaker, I yield myself 15 seconds to point out to my very good friend, the gentleman from Colorado [Mr. HEFLEY], that according to a poll published in yesterday's USA Today newspaper, 83 percent of the American people support raising the minimum wage; and to my Democratic colleagues that same poll indicates that 83 percent of the American people support the balanced budget amendment and 71 percent of the American people support a 2-year cutoff for welfare without work.

Mr. Speaker, I yield 1½ minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

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

Mrs. ROUKEMA. Mr. Speaker, I rise in strong support of the Riggs-Quinn amendment to increase the minimum wage by 90 cents over 2 years.

This is a commonsense proposal that is long overdue. It's been 7 years since we last raised the minimum wage, and its purchasing power, adjusted for inflation, has sunk to its lowest level in 40 years.

May I ask my colleagues a simple question? I thought we wanted to move people off welfare? Raising the minimum wage does that by making work more attractive than welfare—allowing the minimum wage to remain stuck where it is provides a strong incentive for someone to remain on welfare instead of joining the work force.

Furthermore, as documented in the often-mentioned Card/Krueger Princeton study on New Jersey's increase in the minimum wage to $5.05, none of the dire predictions of either job loss or job flight ever came to pass—so much for the proverbial ''chicken littles'' of New Jersey who predicted the economic equivalent of ''sky will fall'' if we raised our minimum wage! It didn't. There was no job loss!

With our State's experience still fresh in my mind, I simply do not believe that the national economy will be stifled by the modest minimum wage increase proposed by our colleagues, Mr. RIGGS and Mr. QUINN.

Professors Card and Kerueger are highly respected empirical economists, and opponents of raising the minimum wage should refrain from impugning their credentials.

Why's that? Because roughly 20 other economic studies by numerous other economists have all reached the same conclusion as professors Card and Krueger: namely, raising the minimum wage does not have a significantly negative impact on job growth.

But more important than even which economic study supports this claim or that one, I urge my colleagues to remember that 40 percent of all minimum wage workers are the sole wage earned in their household.

These people are working harder and harder, and falling further behind each year as the purchasing power of their minimum wage continues to decline. These people need our help, and they need it now.

Two-thirds of the teenagers earning the minimum wage live in households with below-average income—please don't lose sight of the human aspect to the debate over increasing the minimum wage.

I would also like to express my support for the underlying legislation which amends the Portal to Portal Act to clarify when an employer is obligated to compensate an employee for using an employer-owned vehicle to travel both to and from work.

As a member of the Economic and Educational Opportunities Committee which reported out this legislation by voice vote, I want to commend both Subcommittee Chairman FAWELL and Chairman GOODLING for recognizing the need for a clarification to the current statute. I strongly support the provision establishing an opportunity wage, really a training wage.

This training wage, as it was called back in 1989, is vital to employers, and particularly small businesses, who would otherwise struggle to meet the minimum wage increase.

Unfortunately, as many of my colleagues know, the extremely burdensome reporting requirements of the 1989 training wage led virtually no employers to utilize it, rendering its application useless.

Plain and simple, the training wage will protect both employers and employees. Those individuals just entering the workforce will have the training they need to successfully carry out their new responsibilities, and their employers will have workers whose contributions will enhance company productivity and competitiveness.

Moreover, this training wage will help prevent disruptions in the workplace. This provision puts to rest the red herring, namely that fewer low-skilled workers will be hired while current employees are laid-off.

Fortunately, there will be two separate votes, one on the small business exemption and one on the remaining Goodling package.

The small business exemption, if adopted, will be a poison pill and effectively kill the minimum wage bill. In my opinion, the small business exemption completely nullifies the increase in the minimum wage. It will create a huge loophole so that millions of American workers will not receive a higher minimum wage. Limited data shows that close to 11 million workers are employed by business, that would be covered by this exemption. So, it is quite clear that a significant number of minimum wage workers will not be entitled to the increase being proposed.

And, while I have stated my strong support for the training wage, I cannot support it when attached to the tip credit and computer professional provisions. Regardless of how much money someone is making, if his required pay is determined based on the current minimum wage, then it should be based on the current minimum wage. The law says that the wage has to be adjusted, and it should be!

I want to endorse those provisions of H.R. 3448, the small business tax incentive package, which will be merged with the Portal-to-Portal bill after House passage and sent to the Senate.

There are several very important tax incentives for small businesses contained within H.R. 3448—increased expensing for investing in new plant and equipment; pension simplification proposals; and an expanded tip credit for certain food service employees; are important components of the save and invest in America agenda I have been advocating for years.

Enacting a save and invest in America agenda is essential if the Congress and President are to provide enough economic growth to create good jobs and good wages. Those provisions in H.R. 3448 represent a small, first step in this direction!

But, I am standing here to support the Riggs-Quinn amendment to increase the minimum wage, and would urge my colleagues to do the same.

Mr. BALLENGER. Mr. Speaker, I yield 30 seconds to the gentleman from California [Mr. CAMPBELL].

Mr. CAMPBELL. Mr. Speaker, the Card and Krueger study is inaccurate and unreliable. It has just been referenced, and we have to set the record straight. Nobel prize winning economist Gary Becker, on the Card and Krueger New Jersey study, concluded that: ''The Card-Krueger studies are flawed and cannot justify going against the accumulated evidence from many past and present studies that find sizable negative effects of higher minimums [wages] on employment.''

Card and Krueger did a telephone study. They did not follow it up. Subsequent studies have followed it up and have totally rebutted the wrong implications of that study. We should not be basing our judgment on erroneous data.

Mr. RIGGS. Mr. Speaker, I yield 15 seconds to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, I want to point out that there are 20 other studies, at least, by eminent economists that substantiate the Princeton study.

Mr. BALLENGER. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. KNOLLENBERG], a member of the committee.

Mr. KNOLLENBERG. Mr. Speaker, we know this is not really about helping working families. If increasing the minimum wage was such a great idea, why did we not do this back in 1993? I guess the leadership at that time did not think it was important when they were too busy raising taxes on seniors, on businesses.

In fact, let me share with my colleagues the President's words in those days. I know this does not mean much to some, but, in fact, he said then, on February 6, 1993, ''The minimum wage is the wrong way to raise incomes of low-wage earners.''

If my friends think 90 cents per hour is going to save working families, they are only looking at half the story. What we need to provide, of course, is tax relief to our families, not 90 cents an hour.

Let me just add that for every one person this helps, it is going to hurt many more; many more in jobs lost by first-time, inexperienced workers which will increase costs and burdens for our small businesses and finally higher prices to consumers.

If we want to help our working families, increase their income and get the Government out of their wallets. A minimum wage increase may be well intended, but it is wrong-headed. It is a recipe for losing jobs and opportunities and increasing unemployment. Vote ''no'' on the minimum wage.

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Speaker, in the State of Michigan, 420,000 workers would see an increase in the minimum wage.

And I would say to my colleague who just spoke, he knows that in 1993 and 1994 we were working on health care and not a minimum wage to try to provide for raising the standard of living, and that is why minimum wage was not increased in 1993 and 1994.

Mr. CLAY. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. POSHARD].

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

Mr. POSHARD. Mr. Speaker, I rise in strong support of the Riggs amendment to increase

the minimum wage and against the Goodling amendment which would gut our efforts to help working families.

There are perhaps many areas of this Nation where the transition from a blue-collar to a high-technology work force has been accomplished fairly easily. But I represent parts of central and southern Illinois where the loss of jobs in manufacturing and the coal mines has been hard on our people. Good-paying jobs which could sustain a family of four have evaporated right before our eyes, and we are still working to diversify our economy and provide the new jobs which will replace those that have been lost. But for the time being, when you leave a job in the mines and try to support your job on the current minimum wage, you just can't make ends meet.

If we want people to work, if we want to move people from welfare into the work force, if we want families to stay together and more closely resemble the collective unit which we remember from our childhoods, then we have to provide jobs upon which they can sustain their families. This modest increase in the minimum wage will help their purchasing power and increase their staying power in the job market.

Let me be clear—in my district we are blessed to have some of the most progressive and profitable companies in the world and a vibrant small business community providing good jobs with good paychecks and benefits. We are thankful for those jobs, and are trying to do everything we can to create more of them. And we are thankful for the minimum wage jobs which provide people access to the work force, a chance to save money for college, or a second job to stretch the family budget. And where necessary, we need these jobs for people who are the primary source of support for their families.

But the purchasing power of the minimum wage has been stunted by inflation and the rising cost of living, and it's time to help folks working at the minimum wage recover their ability to make a living. When we raise the minimum wage, we help people support their families, we help them take part in the local economy with the ability to buy goods and services, and we give them an incentive to work.

Support this increase in the minimum wage on behalf of the working families of this Nation.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. KLINK].

Mr. KLINK. Mr. Speaker, I thank the gentleman for yielding me this time.

The bottom line is that $170 gross per week is not enough money for anyone to live on. And when we have a minimum wage that is, in fact, at a 40-year, all-time low, it is a point of fact that economically it holds down all wages across this country. It lowers the quality of life for working people all across this Nation and it hurts business because these people cannot be the consumers that they want to be.

When wages fall, buying power drops, and all these Adam Smith economists would then come to use and say, well, we have social problems now. So Federal Government, give us money for more police officers; Federal Government, give us more money for courts; Federal Government, give us more money to build prisons.

We have a better idea before us today, and that is to pay workers a more livable wage. Empower the family unit to sustain and to provide for itself when a member of that family goes out and puts in 40 hours worth of work each week.

It was Henry Ford, that capitalist, who understood he had to pay his workers enough money so that they could buy the cars that he was making in order for this great country to work.

Mr. RIGGS. Mr. Speaker, may I inquire how much time the floor managers have remaining?

The SPEAKER pro tempore. The gentleman from California [Mr. RIGGS] has 9¼ minutes remaining; the gentleman from North Carolina [Mr. BALLENGER] has 20½ minutes remaining; and the gentleman from Missouri [Mr. CLAY] has 8 minutes remaining.

□ 1215

Mr. RIGGS. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. TORKILDSEN].

Mr. TORKILDSEN. Mr. Speaker, I thank the gentleman for yielding time.

I rise in strong support of this modest increase in the minimum wage and for the Small Business Protection Act which passed last night. I am proud to be an original cosponsor of the Quinn bill, Republican legislation that would go beyond President Clinton's and the minority party's election year two-step. I applaud the gentlemen from California, from New York, from New Jersey and Pennsylvania for their efforts to bring this amendment to the floor.

Like millions of Americans, I have held several minimum wage jobs. As one of 10 children, I would not have been able to afford to attend UMass Amherst without working at McDonald's and department stores like Lechmere and Filene's. But the minimum wage is much more important to families trying to put food on the table and a roof over their heads.

Over half of the minimum wage workers are women, many are their family's only wage earner and must work one minimum wage job just to make ends meet. For them, a 90-cent increase will mean an additional $1,800 per year, $1,800 more for groceries, clothing and rent.

We must replace the failed welfare system in this country. Real incentives to work must exist for people to free themselves from welfare and support their children. Keeping the minimum wage current with inflation as the Riggs-Quinn-English-Martini amendment does will help.

Mr. Speaker, raising the minimum wage provides a reasonable floor for struggling Americans already working at the minimum wage and those seeking to break free from the trap of welfare to join the work force.

I urge my colleagues to vote for opportunity over stagnation. Vote for freedom over dependency and vote for work over welfare.

Mr. BALLENGER. Mr. Speaker, I yield 5 minutes and 30 seconds to the gentleman from New Jersey [Mr. SAXTON], who is vice chairman of the Joint Economic Committee.

Mr. SAXTON. Mr. Speaker, I would like to just say to my colleagues that the last time we had a vote on the minimum wage, which was 5 years ago, I voted to increase the minimum wage. I thought I was doing the right thing, and it sure made me feel good. In the intervening years, as I became vice chairman of the Joint Economic Committee and began to pursue a variety of subjects that had to do with our economy and the welfare of our workers, I have came across information which I would like to share with my colleagues today because today I am not going to vote in support of the minimum wage as I did 5 years ago; I think for good reason.

For example, early in my tenure as vice chair, I came across a study that was done in 1983 by the Joint Economic Committee. There as referenced in this Wall Street Journal article which was published in April of this year, an article written by Bruce Bartlett, a renowned economist, and let me quote one line from this article. It says: ''A survey of earlier studies by the General Accounting Office in 1983, for example, found virtually total agreement that employment is lower than it would have been if no minimum wage existed.''

Mr. Speaker, this is important. It was important to me as I began to look at why we should or should not support a mandated increase in the minimum wage. In the meantime, our committee put this study together. It finds no, zero, zilch, no credible evidence, not one credible piece of evidence that increasing the minimum wage is a benefit to the working people of this country. Not one single study.

The Card-Krueger study has been referenced here on a number of occasions. Let me share with my colleagues that after having hearings on the Card-Krueger study, after consideration of their results and after looking at studies that were done pursuant to it, it was a telephone survey, folks. They called on the telephone to fast food restaurants, and they said to whoever answered the telephone: How many part-time and full-time workers do you have? And the responses were quite astonishing.

As a matter of fact, on one occasion the results point out that the answer was, we have 35 employees. On a follow-up telephone call, which they also recorded, the response from the same restaurant was, just a few months later: We have 35 full-time employees and 30 part-time employees. Their employment had doubled. Everyone knows that that did not happen.

So as we looked at the Card-Krueger study, we became convinced, particularly pursuant to a followup study that

was done by economists Neumark and Wascher from Michigan State University, hat this study simply is not credible. And as I point to these issues, I would like to quote the President from his 1995 State of the Union Address. He said: I believe the weight of the evidence, the weight of the evidence, he said, is that a modest increase does not cost jobs.

We have proven that is not true. Over the years, over the last 50 years there have been more than 100 studies that have concluded unanimously, unanimously that mandating an increase in the minimum wage puts people out of work.

Let me tell my colleagues about these studies. Beginning in 1957 and ending in 1993, there were five studies; all concluded that the minimum wage reduces employment. Beginning in 1973 and ending in 1992, there were 14 studies that concluded the minimum wage reduces employment among teenagers more than it reduces employment among adults.

Beginning in 1971 and ending in 1980, there were seven studies that were done that concluded that the minimum wage reduces employment among black teenage males. There were two studies that were done in the meantime that concluded that the minimum wage hurts blacks generally. There were three studies that concluded that the minimum wage hurts low-wage earners. There were five studies that were done that concluded that the minimum wage reduces employment in low-wage industries such as retailing. There were three studies that were done that concluded that the minimum wage hurts low-wage regions such as the South and in rural areas.

There were six studies that were done that concluded that the minimum wage does little to reduce poverty. There were five studies, four studies that were done that concluded that the minimum wage has reduced employment in foreign countries as well as here.

We found not one credible piece of evidence, we found not one credible piece of evidence anywhere, from academia, from the world of economics that concludes that increasing the minimum wage helps anyone. That is why the gentleman from North Carolina is correct on each occasion that he has stood up and said, in your State, this bill will cost *x* number of jobs. He is absolutely correct. The empirical evidence is unanimous, not questionable, unanimous in support of the gentleman's position.

Mr. RIGGS. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. BOEHLERT].

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

Mr. BOEHLERT. Mr. Speaker, raising the minimum wage appeals to people's sense of fairness because it is the right and the equitable and the timely thing to do. Let me share some facts that lead to that conclusion.

It is a fact that the last time that this Congress voted to raise the minimum wage was 1989. It is a fact that the last time we had an increase in the minimum wage was 1991. It is a fact that 63 percent of the people earning minimum wage are adults 20 or older. It is a fact that the present $4.25 minimum wage is at an historic 40-year low in terms of purchasing power.

What does an increase in the minimum wage do, the previous speaker said. It does not do anything for anyone. Well, an increase in the minimum wage would add $1,800 to a wage earner's income. That is significant.

I urge support of the Quinn-Riggs amendment.

Mr. BALLENGER. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Speaker, I called Joseph Stiglitz over at the White House the other night. Mr. Stiglitz is chairman of the Council of Economic Advisers for the President. I called him because I was reading his textbook where he said, there is danger in increasing the minimum wage. That textbook that he published a couple years earlier, it said wherever there is a group of people demographically or wherever there are parts of the country in particular distress, whenever the minimum wage is above the equilibrium wage, there is going to be unemployment.

Mr. Speaker, so I asked him: Do you not, do you still agree with that concept? He said: Well, we talked about how much unemployment would result, and we concluded that the unemployment that is going to result from the minimum wage increase is not going to be that significant. The fact is that he agrees, everybody agrees that it causes unemployment.

We seem to be on a trend of saying, since 82 percent of the people think wages should be higher, let us have Government do it. Do we really think that Government control can determine markets, can determine productivity, can ultimately determine the wages of people? I think the answer is no.

Mr. Speaker, George Washington asked the question, and I quote: ''If to please the people, we offer what we ourselves disapprove, how can we afterwards defend our work?'' I wish he were here today to save Congress from doing what really most of us know is wrong: telling our citizens that they cannot work unless the Government approves the salary they make.

If the question to the American people were put such, do you believe that Government should make it illegal for you to work unless you receive $5.15 an hour, do you think that is a good idea for that kind of Government intrusion or not, I think most of the people would say, keep Government out of our lives.

We are telling seniors that want to work in a nursing home overnight they cannot do it anymore unless they get the wage we require. I think it is a bad idea. I think it is a shame we are doing this.

We will be telling teenagers that they cannot get work experience unless the Government approves of their wage.

In effect, Government is saying that people are too stupid to know what their minimal wage requirements are.

My constituents want the Federal Government to stop trying to run their lives. Raising the minimum wage is Government meddling in their lives which could cost them their job.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Speaker, we have heard a lot about studies today. Let me give my colleagues the benefit of my own study. Years past, I owned a small business. We employed up to eight people. They all received the minimum wage. Those who were with us longer received much more. We paid the Social Security tax, unemployment insurance, the workmen's compensation. At the end of the day, we still made a profit, in fact paid off the business in record time.

So, all the woes we are hearing today, I know from personal experience, are not necessarily true. My Republican friends and their inconsistency boggles my mind. On one hand we are told, if we increase the minimum wage, poor people in the country are going to lose food stamps, they are going to lose earned income tax credit. On the other hand, these same Republicans are for cutting food stamps. Last year they tried to take $20 billion out of earned income tax credit. So to the poor I say: You just cannot win for losing with the Republicans. It is amazing.

Last, let me encourage my friends like the gentleman from California [Mr. RIGGS], the author of the amendment, when it comes time for the Goodling amendments, I ask you to join me in opposing them. We can see ourselves this afternoon raising the minimum wage on one hand and talking it away with two amendments on the other hand.

The SPEAKER pro tempore. The gentleman from North Carolina [Mr. BALLENGER], who is representing the committee position, has the right to close.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida [Mrs. MEEK].

(Mrs. MEEK of Florida asked and was given permission to revise and extend her remarks.)

Mrs. MEEK of Florida. Mr. Speaker, I strongly support increasing the minimum wage. I have many reasons for doing so. I do not need to go into them all. But some Members of the majority Republican Party are opposing the minimum wage because they say that, if you reform the earned income tax credit, it is a better way to help the working poor.

□ 1230

I say to my colleagues that that is not true. They seem to have forgotten

that last week they voted for a budget resolution which cuts the EITC by $20 billion. Last week they also asked for a $20 billion increase on almost 7 million hard-working Americans, and those are the people who will have higher taxes under the Republican budget, which they have already passed.

If my colleagues will notice, 2.7 million of our hard-working people, these are people who get up early in the morning and go to bed late at night; from zero to $10,000 a year, that is all they make. Look at the cut on these people, and the 1.8 million who make from $10,000 to $20,000 a year, 1.8 million of those will be affected by this cut, 1.9 million of them in the $20,000 or $30,000 a year will be hurt.

If my colleagues notice the chart, the higher one's pay scale is, the less they will be affected by the EITC. Mr. Speaker, that is not fair.

Second, do not let anyone say that minimum wage will not help the average worker. Even with the $500 child tax credit which the Republicans have placed in the budget, it is not going to get them out of this malaise here because even at that they are going to have to pay at least $29 more per year than they were paying now.

My premise to my colleagues is that please do not try to balance out their dislike of the minimum wage by saying, ''Let's correct it with the earned income tax credit.'' The people need both the minimum wage and the earned income tax.

This is a picture of people working hard. Let us not try to hurt them.

Mr. RIGGS. Mr. Speaker, I yield 2½ minutes to the gentleman from Connecticut [Mr. SHAYS], one of the leading proponents of the minimum wage.

Mr. SHAYS. Mr. Speaker, I thank my colleagues for yielding this time to me.

In Psalms we read, ''I would have fainted unless I believed to see the goodness of the Lord in the land of the living.'' This is an excellent debate, and we are having the opportunity on both sides of the aisle and within both parties to debate this issue and speak from our hearts. From my heart I believe in the Riggs-Quinn-English-Martini amendment to increase the minimum wage 50 cents in July and again 40 cents a year later. In my heart I believe that we have got to have a minimum base for a worker so they are not exploited. In my heart I believe this is the right thing to do.

Now, the debate we have, this is historic because two-thirds of Congress wants to increase the minimum wage, but two-thirds of the majority party does not. What a credit to the majority party that they have brought out a fair bill, and I just have nothing but admiration from my leadership on both sides of the aisle that they have offered this kind of debate.

Now, there is a tradeoff. My colleague from California is right. When we increase the minimum wage, we affect jobs and we affect prices. The issue is how significant is that increase? If we did what the gentleman from New Jersey [Mr. SAXTON] did and raised it $20, of course we would increase prices and cause large unemployment. But when we do what we did in 1989 and raise the minimum wage 45 cents, and again a year later 45 cents, unemployment went down, maybe it would have gone down even more, prices were basically stabilized. It was a modest increase.

We are at an all-time low in 40 years. The minimum wage in 1968, if it had been indexed for inflation, would be $7.08 today. We are not asking it to be $7.08. We are asking that over a period of 18 months it will be increased by 90 cents.

I just have to say that I am proud of my Republicans, I appreciate the Democrats for pushing this issue. The bottom line is we have the best of both worlds. We have an economic engine, we have the Small Business Protection Act, we have $7.5 billion in this bill for tax writeoffs for small business, for expensing, for targeted tax credits, to hire the least employable, the ones who are on welfare. This is a better bill than just standing alone on the minimum wage. I salute both sides in this debate.

Let us vote this out. Let us increase the minimum wage.

Mr. BALLENGER. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. CAMPBELL].

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

Mr. CAMPBELL. Mr. Speaker, I appreciate my colleague giving me just a brief moment to respond.

We ought to recognize the tradeoff and put some numbers on it. I think all reasonable commentators have said, ''You lose jobs if you increase the minimum wage, but if you're lucky enough still to have a job, you will do better.''

What are the numbers? The Bureau of Labor Statistics tells us that 214,000 wage earners support families on a minimum wage, which is less than 2 tenths of 1 percent of all wage earners. So the number that we keep hearing, the 4.7 million who make the minimum wage, is not right. It is rather how many are supporting families on it. Less than 2 tenths of 1 percent benefited. And how many would lose jobs? The best estimates that we have seen are between 500,000 and 700,000.

And so here is the tradeoff. Do we for the political opportunity of this moment sacrifice the employment of half a million in order to increase earnings for the 214,000? I say ''no.''

Mr. BALLENGER. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. Mr. Speaker, as I said earlier in this debate, over the last 16 months the Republicans in Congress have had the courage to come to the floor of the House today and every day over those 16 months to do what we thought was right for the American people. We have had the courage to look past politics and had the courage to bring real change to this floor, real change in this Government to try to help all Americans.

Now, I know today's debate on this minimum wage is a serious debate. It is a debate that is certainly strongly felt by people on both sides of this issue. But I would suggest to all of my colleagues here that everyone in this Congress wants to help low-wage workers. We all want every American's boat to be lifted, but especially those at the bottom of the economic ladder, we all sincerely believe and want to do what we can to help them. But the question is how.

The proponents today bring a government-mandated minimum wage to the floor. What this is going to do, in my view, is going to hurt the very people we are trying to help. It is going to hurt small businesses that are the engine of new job growth in America, and I have to ask myself why would we want to do that when there is another way to help low-wage workers, and that other way is to help the private sector, help them in a strong growing economy so that they can provide more jobs and better wages for the American people because in the end low-wage workers will be much better off by allowing the private sector to do this rather than more government mandates, more government regulations.

Now, Republicans over those last 16 months, we have tried to do this, and we have passed a $500 per child tax credit to help all workers in America. Unfortunately, it was vetoed by the President. We have passed a balanced budget plan in the House and Senate, and it was also vetoed, that would help all workers, especially low-wage workers who are hit with high interest payments on their car loans, their mortgages, if they have them. We could really help. A capital gains tax reduction; yes, capital gains tax rate reduction that would help the economy grow, help small businesses invest more in their business, more in equipment, and guess what would happen? We would have more jobs and we would have higher wages for low-wage workers.

Now, over the last couple of days my friends on the other side of the aisle have had a lot of fun using a quote that was attributed to me that said I would commit suicide before I would vote to artificially raise the minimum wage. Now, why would I make such a quote? Well, I would like to tell all of my colleagues I grew up in Cincinnati with 11 brothers and sisters. I have had about every low-wage, sub-minimum wage job there is, and it was those jobs that were available that allowed me to learn the skills, allowed me the opportunity to learn how to get along in life, and yes, also taught me that maybe I ought to go back to school to improve myself if I were going to improve my lot in life. And, yes, it was because those low-wage jobs were there that, quite frankly, I am here today.

I am a product of the private sector. I started a small business and spend 15 years building it before I came here. Fortunately, I did not have to pay any of my workers the minimum wage. I was successful enough to be able to pay them a good wage, but it was because we had a successful company.

But a lot of small businesses do not have that, and on behalf of myself and my 11 brothers and sisters who had opportunities in America because these jobs were here, I from the bottom of my soul believe that we can help low-wage workers by providing and expanding the economy and help all workers.

Let us do the right thing today and veto and vote ''no'' on this artificial minimum wage increase.

Mr. CLAY. Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana [Mr. FIELDS].

(Mr. FIELDS of Louisiana asked and was given permission to revise and extend his remarks.)

Mr. FIELDS of Louisiana. Mr. Speaker, I rise in full support of raising the minimum wage. It has been over 5 years since working Americans have had a raise. Since April of 1991, the minimum wage has been fixed at $4.25. If left unchanged, the minimum wage will be at its lowest in more than 40 years in real inflation-adjusted terms. Nearly three-fourths of the workers affected by the increase are adults over the age of 20. Between 1981–88, President Reagan adamantly opposed an increase in the Federal minimum wage, the longest period of time for it to remain stagnant. It lost 25 percent of its purchasing power during that time. The purchasing power has dropped 15% since the last increase in 1991. Adjusted for inflation, that is nearly 50 cents. The average minimum wage worker must work 3½ days more in order to pay rent than in 1981, now totalling 17 days.

The average minimum wage worker has to work more than full time, 15 hours more, to stay out of poverty. Forty percent of minimum wage earners are sole breadwinners. Minimum wage workers' earnings account for almost half, 45 percent, of a families total earnings. The Department of Health and Human Services estimates that the minimum wage increase could lift 300,000 families out of poverty, including 100,000 children living in poverty.

At $4.25 an hour, a full-time employee working 40 hours a week, 52 weeks a year earns $8,840. Fifty-nine percent of all minimum wage workers are women. Many of these women are single parents. Ten million Americans working for minimum wage would take home another $1,800.00 a year if a 90-cent increase were enacted.

This 90 cent increase could enable a single mother to pay: for 7 months of groceries, rent or mortgage payments for 4 months, a full year of health coverage, 9 months worth of utilities, and more than a full year's tuition at a 2-year college.

In Louisiana, 313,605 workers, 20 percent of the total work force, are minimum wage earners.

Before working for me, one of my own employees, a divorced mother, with no support from her child's father, had to work three part-time jobs to keep her head above water. Because she was also in college trying to obtain a degree, she was unable to work 8 straight hours a day and go to classes and take care of a child. Not only that, but many employers will not hire a minimum-wage earner for 40 hours a week to keep from having to pay benefits. She is a prime example of a minimum wage earner bringing home $8,840 a year. With a monthly income of less than $700 after taxes, she was in the red every pay period and forced to rely on food stamps and Medicaid to get by.

Expenditures taken from that $700 a month: rent, $225.00; utilities, $60.00; child care, $300.00; telephone, $29.00; incidentals (toiletries, diapers, household items, etc.), $50.00; transportation, $30.00.

Total remaining: $6.00

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, the great crisis facing this country today is the decline in real wages for American workers and the proliferation of low-wage jobs. We have millions and millions of workers today who are trying to survive on $4.25 an hour, $5 an hour. They are not making it. Raising the minimum wage is long overdue, and we must do it today.

The situation is so bad and the Federal Government has so much failed to stand up to its responsibility that 10 States in this country on their own, including the State of Vermont, have raised the minimum wage. Now, if the minimum wage is so bad, tell the Republican Governor of New Jersey, who supports their increase in the minimum wage, to roll it back. She will not do it because she knows, as every other Governor knows, that it is vital to raise the minimum wage today.

Lastly, it is incomprehensible to me that I am hearing people talk about abolishing the minimum wage. They really want to see workers in America earning a dollar an hour, $2 an hour, competing against the workers in China who make 20 cents an hour. That is not the future of America.

Mr. RIGGS. Mr. Speaker, I yield myself 30 seconds to point out to the gentleman from Vermont [Mr. SANDERS] and my very good friend, fellow Gang of 7 member, the gentleman from Ohio [Mr. BOEHNER], that the legislation which passed yesterday on an overwhelmingly bipartisan measure, I think it had actually or more than 300 votes for final passage, will provide tax incentives to entrepreneurs to start and to grow a business. And that combined with the minimum wage is good policy for America.

Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. BILBRAY].

Mr. BILBRAY. Mr. Speaker, I support the motion and the amendment. I support it not because it is going to change the world, but it is a gesture by this Congress to the fact that this Congress has done things that have been counterproductive to the working class, and I wish my colleagues on this side of the aisle that say they care about the entry-level jobs were as compassionate about the competition that American workers have to have every day against illegal immigration, uncontrolled immigration that the old Congress not only allowed but practically mandated and encouraged, and I just ask my colleagues to be as compassionate about the entry-level jobs, Americans who are waiting for good jobs, I wish they would care as much about the causes for driving down the fair market value of labor in this country that they have allowed along with some Members on this side to be able to do this.

So this is a gesture of saying we have not only not done the right thing, we have consciously caused the fair market value of labor in this country to be depressed by cheap illegal imported labor, and I ask both parties now that say they care about the economy let us take care of that problem, Mr. Speaker.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. ANDREWS].

(Mr. ANDREWS of New Jersey asked and was given permission to revise and extend his remarks.)

□ 1245

Mr. ANDREWS of New Jersey. Mr. Speaker, I thank my friend for yielding me the time.

Mr. Speaker, to understand this debate today and what has happened in this Congress in the last 18 months, we have to consider the case of an individual who owns a building, and that woman who cleans his building at night and is working for minimum wage. Here is what we have done for those two people or to those two people in the last 18 months.

For the person who owns the building we have said, if you have a pension plan and you have what you consider to be surplus income in the plan, you can keep it and spend it on yourself. We have said that when you sell the building, we will give you a tax break or a tax reduction on your profit when you sell the building, and if you choose to move out of the country, renounce your citizenship, and no longer be an American for the purposes of evading taxes, we will let you do it. That is the policy we are following here.

On the other hand, when the woman who cleans the building at night tries to get a 90-cent increase per hour in her wages, that is a great risk to the American economy and a great diversion of public policy that makes no sense.

What makes no sense is that we are even having a serious question about this. The people who sweep our floors, cook our meals, and work in the child care centers in this country need a raise. They have earned it, they deserve it.

Mr. Speaker, I support the increase in the minimum wage. I oppose the amendment that will follow this, which will eviscerate and defeat the increase in the minimum wage. I would urge my colleagues to vote for the amendment

of the gentleman from California [Mr. RIGGS] and against the amendment offered by the gentleman from Pennsylvania [Mr. GOODLING].

Mr. CLAY. Mr. Speaker, I yield the balance of my time to the gentleman from Montana [Mr. WILLIAMS].

The SPEAKER pro tempore (Mr. WALKER). The gentleman from Montana [Mr. WILLIAMS] is recognized for 2½ minutes.

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

Mr. Speaker, let met begin a moment of nonpartisanship by recognizing the small band of our Republican colleagues who have abandoned the position of their party and support the minimum wage. I commend them, because I know their leadership is 100 percent against their position. I encourage all Republicans to join this small band of courageous and correct Republicans. I encourage all Republicans to join the Democrats that are in favor of the minimum wage.

I encourage all Republicans in the House to understand that today the value of the minimum wage is $3.70, not $4.25, but $3.70 in purchase power. But even if it was $4.25, I would remind all of my colleagues that we earn more every 15 days than those workers earn all year. That is, we earn in 15 days on our congressional salaries what minimum wage workers, going to work every day, earn all year long. Surely the Congressional Republicans can come down here and help to increase the wage of those low-income Americans.

Mr. Speaker, today in this country one child out of four lives in poverty. Yet 60 percent of those kids live in a household where one or the other parent works. We should raise their mom's minimum wage. If we want mom and dad off of welfare, make the job worth going to. Raise the minimum wage. That is one, only one way, but that is one good way that we could help to reform welfare.

Mr. Speaker, I encourage all our Republican colleagues to join this small band of Republicans here that understands that raising the standard of living for America's workers, not lowering it, is the way to increase employment in this country, is the way to help small business in this country.

Most of our Republican friends seem to think that if we could just lower wages enough, we could create more employment in this country. That has been their debate here. That has been their argument. We have all heard it. In fact, we have heard it for 60 years. It has been six decades now that the vast majority of Republicans, in a kind of political stone-age opposition to minimum wage, have opposed it. Again, I commend this small band of Republicans and encourage all the rest of you to join them.

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

The SPEAKER pro tempore. The gentleman from California [Mr. RIGGS] is recognized for 2¾ minutes.

Mr. RIGGS. Mr. Speaker, this has been, I think, an enlightening and constructive debate. I want to point out that I expect the vote that will occur on this floor will be very much a bipartisan vote. About an hour ago we had a procedural vote, with 76 Republicans joining 190 Democrats to support that motion, so I anticipate the vote for the minimum wage will also be equally bipartisan.

In the spirit of bipartisanship, I want to remind my Democrat colleagues again of yesterday's USA Today Gallop poll indicating that 83 percent of the American people support the balanced budget amendment and 83 percent of the American people support raising the minimum wage. Seventy-one percent support a 2-year cutoff for welfare without work.

I would ask the Members, in the same spirit of bipartisanship, to stop fighting us tooth and nail in our efforts to balance the budget and reform welfare, and join us in a bipartisan manner to help us pass those critical legislative reforms in the waning days of this session of Congress.

In just a moment, Mr. Speaker, we are going to hear a very distinguished economist, who himself happens to be an extraordinarily capable majority leader, speak to close the debate. A few moments ago he spoke about the perverse employment effect of raising the minimum wage. But I want to respectfully suggest that raising the minimum wage allows us to address the perverse incentive that we have in American society today that makes welfare more attractive than work.

Let us raise the minimum wage to help lift people out of poverty, particularly those single mothers who struggle against heroic odds to move from welfare to work. Let us make sure that that entry-level job for a welfare recipient pays more than welfare. We can do this together. We can send a strong message to the American people that we can put partisanship aside and we can get things done in the name of the public good.

Mr. Speaker, I yield back the balance of my time.

Mr. BALLENGER. Mr. Speaker, I yield the balance of my time to the distinguished gentleman from Texas [Mr. ARMEY], our majority leader.

The SPEAKER pro tempore. The gentleman from Texas [Mr. ARMEY] is recognized for 8 minutes.

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

Mr. Speaker, here I am, with every fiber in my being, doing what I thought I would not have to do in this Congress: Speaking on behalf of the most beleaguered, least advantaged, least trained, least skilled, least experienced job aspirants in America, against the folly of raising the minimum wage, which, irrespective of the impact it might have on their incentive to work, I might point out to my colleague, the gentleman from California, creates an enormous reduction in the opportunities for them to find the job; because as we raise the price of unskilled work, we provide a greater incentive to substitute other ways of achieving the task without the employment: Golf carts instead of caddies, dishwashing machines instead of dish washers; any number of events we have seen in the past.

The facts are clear, Mr. Speaker. Study after study after study demonstrates that we have these perverse employment effects where that entry-level job for the most needy worker in America just goes away. It is documented. There is no doubt about that. It is the standard treatment of this subject in every econimc principles textbook in America, including the 1993 edition of the President's own chairman of the Council of Economic Advisors' textbook on page 131.

I have said this before, and I am afraid it seems harsh, but if a college freshman does not grasp this, he is not likely to pass the course. But it is not just an academic question, it is a question of real lives.

I had my first job at less than what is today's minimum wage, at a lower wage. I was sacking groceries for Joe Torson at the age of 14. Joe Torson taught me I had to be to work on time, I had to be clean and neat and orderly, and I had to be well mannered, and I had to do my job and I had to achieve some degree of proficiency. When I did that, he gave me a raise. Then I moved on. I started another job at another time, with another firm, doing another thing. I started at the minimum wage.

They taught me what was the difference between a coffin hoist and a come-along. They taught me how to put on my equipment and climb a pole, and after I could do it I got a raise, and I worked my way through college in the summer.

Then after that, while in school, during the school year when I wanted that supplement for my income that I needed as a young college student, I washed dishes at minimum wage. I could have been replaced with a new Hobart dishwashing machine, and all of us knew that. So nobody stays, or very few people stay.

What if you do stay at the minimum wage and have a child? With the earned income tax credit, with aid to dependent children, with the other benefits that are available to you, nobody is asked to raise a family in America today, with all that we do to supplement the income of the low-wage worker at minimum wage.

This debate has been a fascinating exercise for me. I have often said that Washington harbors a great many people that cannot be trusted with words or numbers. That point has never been more thoroughly well demonstrated than listening to all of the misinformation I have seen around here.

We were approached by our Members and we were asked by a minority of our majority, would we put this vote on the floor. Out of respect for our Members, we said yes, we will do that, but

we will do it after a time in which we have been able to study it, prepare for it, and put it in with the proper safeguards and protections. One of the protections we put in here against the loss of job opportunities for the inexperienced worker is a small business exemption, something that was petitioned to the Democrat majority in 1991 by then-Congressman Espy, had 67 Democrat cosponsors, 150 sponsors, and hey would not allow it on the floor.

A larger share of their conference when they were in the majority that petitioned them for this exemption asked, why was the gentleman from California [Mr. SERRANO] so much in favor of this in 1991; why was the gentleman from New York [Mr. OWENS] so much in favor of this in 1991; Why was the then-Democrat chairman of the Committee on Small Business in favor of that in 1991? Because they knew the harm that was happening in the inner city. They petitioned their leadership.

Now we have brought it out in exactly the same language, with the only change being two protections for those already on minimum wage in those jobs that would get the exemption. The two protections were if you are now receiving it, you cannot be denied it, and you cannot lose your job as a method of avoidance of it; a better amendment than even Congressman Espy had, we brought it on the floor, and we hear all of this noise from the same Democrat leadership that denied their own membership the fundamental right to air their views and have a vote on the floor in 1991, this big panic of rhetoric going up.

I have to tell the Members, I am embarrassed by it. This is a serious business in the lives of real people. We may in fact entertain ourselves, console ourselves that somehow or another we will never see those people who become the broken eggs in the omelet of self-satisfaction that we make for ourselves as we appease the pressures of American union leaders in Washington, DC, in total disregard for real people in their real lives in the real world.

We will probably vote this thing in, but if in fact we end up doing this, I implore my colleagues, have an ounce of decency and consideration for the most beleaguered victims of minimum wage increases, those youngsters caught in inner cities where the jobs are lost, and vote the small business exemption and give them the protection they have. Many of you will not do that. You will make your votes, and you will be satisfied that you have done good.

But let me leave you with this thought. When you walk into the city in the middle of July and you see that youngster that is standing idle because the job they thought they were going to have is not there for them this summer, and you look in the face of that young high school or college student and you say, ''I feel your pain,'' that is only just. You caused it.

Mr. RUSH. Mr. Speaker, the minimum wage and efforts to increase it, have been the focus of many inaccurate comments by Members in the Republican majority. Some have said that there are no heads of households supporting families on a minimum wage. Others have proclaimed, an increase in the minimum wage would cause jobs to decrease for low-skilled workers.

Mr. Speaker, the truth is an increase in the minimum wage is the only way working Americans will be able to sustain decent living for themselves. The truth is that 12 million Americans, most of them women, would benefit from the minimum wage increase. The truth is that a raise in the minimum wage is the least this Congress can do for Americans, after cuts in education, Medicare, school lunches, and environmental protections.

The fact that we are even having a debate on the merits of a minimum wage increase shows that the majority cares little for those who are struggling. The majority feels the need to debate the merits of a bill that will provide extra pay that would mean 7 months of groceries, a year of health care costs, 9 months of utility bills, or 4 months of housing.

We must stand strong for those who have the least. We must fight for those who are trying to better their situations through good, honest, hard work. We must be sure that a minimum wage is truly a living wage. Since businesses are enjoying record profits, we must ensure that profits are shared with the persons who made the records possible.

Mr. RADANOVICH. Mr. Speaker, I don't favor an increase in the minimum wage. In fact, I am opposed to the whole concept of a minimum wage.

In the private sector, the minimum wage is an interference with employer-employee contractual relations. Big brothers in the Federal bureaucracy aren't happy unless they can control conduct throughout the workplace.

And, recalling my own experience as a county supervisor, I know the minimum wage is just another unfunded mandate. It represents Washington's dictating to States and local governments what they must pay without providing the dollars to accomplish it.

There are economists from coast to coast who have exposed the minimum wage, showing that it doesn't lift people from poverty. Instead, it denies realistic opportunity for first-time workers and those with little experience as well as impairing small businesses.

Minimums, whether in wages or freedoms, are not American ideals. As a society, we should strive for maximums, gained by hard work, not by regulation and restriction.

Mr. BORSKI. Mr. Speaker, I rise today in strong support of an increase in the minimum wage from $4.25 to $5.15 over the next 2 years. This increase in the minimum wage is an essential step toward ensuring that American workers are properly rewarded for their efforts to achieve the American dream.

While a bipartisan majority in the Congress stands ready to give minimum wage earners a raise the House Republican leadership instead wishes to deprive potentially millions of American workers of any minimum wage increase. In what should have been a simple, widely-supported victory for millions of hard working Americans, the Republican majority has demonstrated not only its aversion to any increase in pay for American workers, but also its intention to eliminate, entirely, the protections of the minimum wage for millions of low-income earners. In fact, quoting Speaker GINGRICH's right-hand man, Majority Leader DICK ARMEY, the Republican majority will not only fight any minimum wage increase ''with every fiber of his being,'' a majority of the Republicans would like to do away with the minimum wage altogether.

This is yet another example of the extremist agenda of the Republican leadership. While the average American worker labors day in and day out just to support his or her family, the new congressional leadership has worked just as hard to prevent these Americans from earning a fair, liveable wage. Should Speaker GINGRICH and his foot soldiers be successful in their efforts to prevent a pay raise for American workers, the real purchasing power of the minimum wage will soon be at the lowest it has been in over 40 years.

Mr. Speaker, far too many hard-working Americans are not adequately rewarded for their efforts. In recent years, many middle- and low-income American families have faced an incredible economic squeeze. Since 1979, the wealthiest 20 percent of this country has seen its incomes grow my roughly $767 billion. During the same period, middle-income families have seen their wages stagnate, and in certain cases decrease. But the last 10 years of wage stagnation has had a particularly hard impact on the lives of the low-income working families. Since 1979, the value of the current minimum wage for lower-income, working-class families has dropped by almost 29 percent, and, in fact, has declined over 50 cents alone in constant value since its last bipartisan increase only 5 years ago.

Today, the majority of working American families are struggling to provide their families with a decent standard of living. This living-wage increase of over $1,800 in additional earnings per year is an essential, first step in assisting many of the most vulnerable American families obtain the ability to provide their families with proper homes, a good education, and a chance to improve their economic situation.

I am very disappointed that the majority leadership chose to exact a price for the consideration of the most important and widely accepted issue for millions of American workers, by attaching amendments which would not only deny many Americans the benefit of a pay raise, but also completely eliminate the protections of the minimum wage for millions of small business workers.

The first of the Republican majority's proposed amendments would repeal the protections of the minimum wage for small businesses. This amendment to the minimum wage increase would be a dramatic leap backward from current law, effectively exempting virtually all new employees of two-thirds of all firms from major worker protection provisions of the Fair Labor Standards Act, including minimum wage and overtime pay. Millions of workers who are employed by businesses with gross annual sales under $500,000, would be completely exempted from the protections of the minimum wage law. Mr. Speaker, it is not bad enough that many hard-working Americans would be denied a well-deserved pay-raise under the Republican minimum wage proposal, but this proposal goes even further, exempting millions of American workers from any minimum wage standard, effectively allowing employers to pay their employees whatever wage they desire.

The GOP's second proposal would go further in undermining worker protections, by resurrecting and making permanent a youth subminimum, so-called opportunity wage. This subminimum training wage likely result in age discrimination in hiring practices and could lead to America's youngest workers undermining older workers for subminimum, entry-level positions. Under the Republican proposal, American employers would be able to hire young people for a training period at a subminimum wage, only to replace them with additional young people before they would be required to pay the full minimum wage amount.

Mr. Speaker, we should be passing a simple, clean, minimum wage increase for every American worker. Despite the unbelievable claims of House Republican Whip TOM DELAY, who states that ''working families trying to get by on $4.25 an hour . . . don't really exist,'' a clean raise in the minimum wage would benefit millions of workers across the country, including over 490,000 workers in Pennsylvania alone. Let's justly reward the American workers for their labors and raise the minimum wage for all American workers.

Mr. COSTELLO. Mr. Speaker, I rise in strong support of an increase in the minimum wage. The 90-cent increase that is being considered today by the House of Representatives will begin to address the erosion in American workers' purchasing power. If the minimum wage is not increased, it will fall to its lowest level in 40 years.

Mr. Speaker, this is essential legislation that directly impacts millions of American workers. Over 500,000 of these workers are in Illinois. Because the majority of American workers who are paid the minimum wage are over 20 years old, the increase will aid these workers in supporting themselves and their families. As we encourage people to find jobs instead of relying on public welfare, we must work to ensure that the minimum wage is a living wage. As a result of the reduction in turnover, the employer's costs of recruiting and retraining are lower.

Raising the minimum wage is expected to immediately lift 300,000 families out of poverty. My colleagues who charge that a 90-cent increase is nominal and unnecessary probably are not aware that a 90-cent increase in the minimum wage could pay for 7 months of groceries, rent or mortgage payments for 4 months, or a full year of health costs. These are real expenses that working people have and that can be addressed by a minimum wage increase.

Many of my colleagues also charge that the minimum wage increase will result in lost jobs. However, many economists dispute this claim. In addition, according to the Bureau of Labor Statistics, 10 million jobs have been created since the last increase in the minimum wage.

These are among the reasons why I strongly support a 90-cent increase in the minimum wage and urge my colleagues to join me in voting for the increase.

Mrs. COLLINS of Illinois. Mr. Speaker, I would like to say that I am pleased to announce that it appears the Democrats and the Republicans have come to an agreement on one thing in the debate about raising the minimum wage: there is agreement that no one can support a family working in a job that pays the current minimum wage. The problem is that to the Repubicans, the glass is half full; to the Democrats, the glass is half empty.

For the minimum wage worker, a 90-cent an hour pay increase means a great deal. It could mean the difference in having a roof over your head—or living in extraordinarily substandard housing. It could mean the difference between providing a healthy, balanced diet for their family—or waiting in line at a soup kitchen so your children could have a square meal. It could mean the difference between having a telephone or being isolated. It could mean the difference between acquiring a second-hand car or relying on expensive public transportation to get to your job, to the doctors, or to the grocery. That's a glass that's fuller than it is without a raise in the minimum wage.

Raising the minimum wage is not just a Democrat or Republican issue, and it is not only a labor issue. It is a women's issue. It is an education issue. It is a social and a welfare reform issue.

The Democrats and the Republicans agree that there are no working families living on a minimum wage, because you just can't do it. The Republicans have said that the ''minimum wage families don't really exist.'' They're right. How can they? No one can fully rely on a salary from a minimum wage job at the current rate to buy food, pay rent, travel to work, pay child care and taxes—and still survive.

The Democrats and the Republicans agree that the difference between $4.25 and $5.15 per hour is not a lot. A mere 90 cents an hour difference. The Republicans position is that a mere 90 cents an hour raise won't make that much difference in the life of the minimum wage earner, but the Republicans also say it is a lot if it's coming out of the business owners' profits. What hypocracy! The worker would have about $36.00 a week extra; the business owner would have about $36.00 less profit. The glass is half empty.

To reiterate, raising the minimum wage is a labor issue. The current minimum wage, $4.25 an hour, is pocket change for many working Americans. In Illinois, nearly 11 percent of the wage earners are paid only $4.25 an hour. There are over 12 million Americans nationally who are currently working in jobs that pay the minimum wage.

Raising the minimum wage is a women's issue. Women's wages still remain below those of their male counterparts, even for comparable jobs. At the bottom of the job ladder, at least there is an opportunity for equality—equality in receiving the minimum wage. According to the Bureau of the Census, women make up 46 percent of the work force, and 40 percent of those women are working mothers. A single mother working at a minimum wage job who has to pay for child care has a substandard existence. She often cannot pay her bills and needs the additional help of food stamps, and so forth.

President Clinton recently declared a ''National Pay Inequity Awareness Day'' and in his statement he provided information that last year American women earned only 75 cents for every $1 a man brought home, with African-American women and Hispanic women collecting just 66 cents and 57 cents respectively, when compared to the majority male wage earner.

Raising the minimum wage is an education issue. Students are a large population of minimum wage earners. Students who are supplementing their family's income by working are not a thing of the past—they are the foundation of many communities. In 1980, the minimum wage was raised from $2.90 to a whopping $3.10 and since then it has only gone up to $4.25 where it has stayed since 1991. Since 1980, the cost of college has gone up 260 percent but the minimum wage for earners trying to pay their way through school only went up by about 30 percent.

Raising the minimum wage is a social and a welfare reform issue. People have little incentive to work when they have no hope of earning a wage that will allow them to make a decent living and take care of their family. The current minimum wage of only $4.25 an hour means a gross weekly salary for 40 hours of only $170—and that's before taxes and other mandatory deductions.

The Republicans continue to ignore the fact that the current minimum wage of $4.25 an hour makes it easier to perpetuate dependence on social welfare programs like aid to families with dependent children, Medicaid, subsidized child care, and job training.

Yes, my colleagues, the glass is half empty! Raising the minimum wage will not fill the glass, nor will it fill the pockets of the American workers, but it will help change lives. I urge my colleagues to put a little more in the glass and the pockets of the American worker and raise the minimum wage.

Mr. RAHALL. Mr. Speaker, I rise in support of the Riggs amendment to increase the minimum wage by 90 cents, to $5.15 per hour. I do so for many reasons, mainly because it is only fair to hard-working Americans who are working harder and longer with no gain. I do so because it is the right thing to do, to keep working Americans from having to ask for public assistance because $4.25 won't raise a family and provide for daily necessities and health care—just won't do it.

I vote for an increase in the minimum wage because it will let American workers to share in the gains of rising economies—such as some of the highest profits ever noted for corporate America, at a time when CEO's make 300 percent more in annual income than their highest paid employee, and at a time when the stock market is on an ever increasing upward trend. Let working Americans in on the act.

But one of my very biggest reasons for voting for this minimum wage increase is because we said that we would bring it to a vote, and 84 percent of Americans polled said: Do it. It may startle you to know that 71 percent of Republicans polled also support an increase in the minimum wage.

Early on in this debate, when Democrats said they would demand and insist on this up or down vote to increase the minimum wage, the Republican leadership was quoted as saying many things. The majority leader said I will resist increasing the minimum wage with every fiber of my being. Another in the leadership said: I'll commit suicide first. But we persevered and we have brought the proposal to a vote today.

But the Republicans who oppose this increase also did something else besides threaten to commit suicide or to resist with every fiber of their being. They went to their Ways and Means pharmacy and they concocted an antidote to the Democrats poison pill of a bill to increase the minimum wage.

They met in the dark of night under a full Moon, no doubt, and using potent herbs and verbs, and using the eye of NEWT, and hair and nail clippings from known Democrats who

use the House barber shop—they developed their antidote and they called it the Small Business Job Protection Act, and cried out that if it was not enacted and administered immediately after enactment of a minimum wage hike, then small business would die.

Well, guess what? Democrats are all for helping small businesses—the backbone of our Nation, and its number one source of job creation. We had no problem with the small business job protection antidote. So we nearly all voted for it—it passed by a vote of 414 to 10 on May 22.

Was that sufficient, then, to sway our Republican friends across the aisle to come over to us and help us increase the minimum wage? In other words—did they seek us out to help us create a win-win situation—a situation where Representatives were willing to represent their constituencies—by honoring the efforts of the workers and by honoring the commitment and investment of small businesses in strengthening the economy of the entire country? All at the same time?

No indeed. I have in my office two communications from the National Federation of Independent Businesses [NFIB]—one which says: If you are going to raise the minimum wage, first enact the Small Business Job Protection Act. The other one says, if you vote for the minimum wage, it will be used against you when we report it to constituents in your district—or words to that effect.

Well, you can't have it both ways. I voted for the Small Business Job Protection Act because I do not want a single small business in my district or yours, my colleagues, to suffer. And I am proud to vote for this modest increase in the minimum wage for proud, working Americans who are struggling to stay off welfare and to live lives of dignity and self-respect by working for minimum wage.

I want to reward all that hard work that is taking place across this country—work and productivity by millions of employees of businesses, large and small—I want to honor any work achieved, as the Bible directs us—by the sweat of our brows.

I am ashamed at the betrayal by Republicans to hold out the small business antidote for raising the minimum wage—but once they got our support and our votes—to jerk the rug by fighting the rise in the minimum wage.

Shame, shame, shame on you who vote against this amendment raising the minimum wage after voting for the small business job protection antidote last evening.

Mrs. LOWEY. Mr. Speaker, I must say I sympathize with my moderate Republican colleagues on the other side of the aisle. After months of urging your leadership to allow a straight up-or-down vote on increasing the minimum wage, you thought you had finally won that most basic opportunity. But at the 11th hour, Speaker GINGRICH unleashed a killer amendment that would repeal the minimum wage and overtime pay requirements for up to 10 million Americans.

I continue to be amazed by the Republican leadership's policies that seek to bring us back to the days when workers were routinely exploited, polluters fouled our air and water with abandon, and college was only an option for the privileged few. But today with the Goodling amendment they are at it again, turning the clock back to a darker day.

Make no mistake about it, the Republican leadership doesn't believe hardworking Americans deserve a raise. The record of the Gingrich gang on the minimum wage is undeniable: delay, distort, and derail.

Inflation has been chipping away at the value of the minimum wage since it was last raised 5 years ago. Its value is now at its lowest level in 40 years. Forty years, Mr. Speaker. Americans who work full-time simply cannot live on $8,800 a year.

Making the minimum wage a liveable wage through two 50-cent increases will lift 300,000 families out of poverty, including 100,000 children, and help people move from welfare to work.

An increase in the minimum wage won't solve all of our Nation's economic and social ills. But it is clearly an overdue step in the right direction. Mr. Speaker, let's end the double talk and get a clean, up-or-down vote to give American workers a raise.

Ms. FURSE. Mr. Speaker, I rise today in support of raising the minimum wage, and helping reward the millions of Americans who work hard everyday. It has been 5 years since Congress last increased the minimum wage—5 years with less purchase power to pay for groceries, hospital bills, and car payments. Members of Congress who oppose the minimum wage are simply out of touch. Members of Congress make more money in 1 month with taxpayer dollars than people on minimum wage make in an entire year.

There are thousands of hardworking families in my district in Oregon, and across the country, who deserve this overdue increase in their take home pay. I am proud that Oregon's minimum wage is already higher than the national level. The bill before us today would raise the minimum wage to $5.15 by July, 1997, which would represent a 40-cent increase to Oregon workers. I find it disturbing that amendments have been introduced to repeal minimum wage coverage for 10 million American workers. We must not go backward; we must reward people who work hard with good wages. I urge my colleagues to oppose these amendments.

It is a remarkable fact that almost two-thirds of minimum wage workers are adults. In addition, almost 4 in 10 are the sole breadwinners for their family. In light of these facts, I believe that increasing minimum wage is the best welfare reform because it makes work pay. In 1993, I was proud to support an expansion of the earned income tax credit [EITC] which gave tax breaks to low-income families who were working hard. The minimum wage bill before the House today builds on the expansion of the EITC in 1993—which was opposed by every single Republican—and puts more money in the pockets of people who work.

Increasing the minimum wage is the right thing. It will help millions of American families, and I urge all my colleagues to support this legislation.

Mr. PAYNE of New Jersey. Mr. Speaker, I rise in support of an increase in the minimum wage so that we can give American workers a decent living wage, and I ask unanimous consent to revise and extend my remarks.

Mr. Speaker, as a member of the House Committee on Economic and Educational Opportunities, I rise in strong support of an increase in the minimum wage.

I had the privilege of serving on the conference committee for the last minimum wage proposal, which was signed into law in 1989, under a Democratic-controlled Congress. It was the right thing to do then, and it is the right thing to do now—in this positive cycle of our economy. Under President Clinton's leadership, we have developed very strong economic indicators. The deficit is down, new jobs have been created, and inflation is under control. The working people of this country deserve to enjoy the benefits of the economic good news.

Let me share with my colleagues our experience in my home State of New Jersey. I am proud that we have led the Nation in giving workers a livable wage. Despite the predictions of gloom and doom in some quarters, economists at Princeton University surveyed businesses in New Jersey and Pennsylvania in the spring of 1992, after New Jersey raised the minimum wage from $4.25 to $5.05. The results indicated that businesses in New Jersey actually added employees while in Pennsylvania, hiring remained stagnant.

We hear a lot of talk about family values, but what does it say when we fail to pay workers enough to support their families? Despite all the talk about welfare, the fact is that most poor people in this country work. They just cannot make ends meet in low wage jobs.

Let's help lift the standard of living for working families in this Nation, so that they can educate their children, buy their home, and fulfill the American dream. I urge my colleagues to support an increase in the minimum wage.

Mr. COX of California. Mr. Speaker, House Republicans are committed to higher take-home pay and better job opportunities for low-income Americans. We strongly support policies to give low-income Americans increased wages and improved chances to find work. But we are against Government-mandated wage and price controls that destroy jobs and hurt the economy.

President Nixon concluded, after leaving the Presidency, that the wage and price controls initiated during his administration were a serious mistake. During much of the 1970's, the President and Congress imposed harsh wage and price controls on most sectors of the economy. These policies were disastrous for the long-term economy and failed to meet even short-term goals, instead contributing to the ''stagflation''—economic stagnation coupled with runaway inflation—for which the Carter era is known. By destroying economic opportunity, these policies dimmed the American dream for millions.

All this changed in 1981, when, as one of his first actions as President, Ronald Reagan ended the remaining Carter price controls. His action became the first element of a coordinated economic program of deregulation, the end of price and wage controls, elimination of trade barriers, an inflation-fighting monetary policy, and tax cuts to encourage economic growth and increase the take-home pay of all Americans. Ronald Reagan's economic policy ushered in the longest peacetime economic expansion in American history.

Echoing Ronald Reagan, Candidate Bill Clinton promised in 1992 to balance the budget, cut taxes for the middle class, and grow the economy. But once in office, he signed into law the largest tax increase in American history, stifling economic growth. In 1995, the economy grew at a sickly 1.5 percent. Clinton's vetoes of spending cuts insure continued deficits well into the 21st century. Then, having succeeded in implementing this tax-and-spend agenda—without a single Republican

vote in the House or Senate—he sought to nationalize our health care system by placing a bureaucrat in nearly every health care decision, levying taxes on excessive health care benefits, and imposing price controls to ration health care for every American.

Republicans strongly opposed Clinton's effort to impose price controls on one-seventh of our national economy. That principled opposition to Government controls on the health care system contributed measurably to the 1994 election of the first Republican Congress in 40 years.

Government should not—indeed, cannot—rationally determine the prices of labor, goods, or services for health care, energy, or any other industry in a free market economy. In the 1970's, when the Federal Government imposed price controls on gasoline, the result was shortages and long lines. By attempting artificially to fix the price of gasoline, Government ensured we got less of it. Wage controls have precisely the same effect. ''Raise the legal minimum price of labor above the productivity of the least skilled workers,'' the New York Times editorialized when the Democrats controlled Congress, ''and fewer will be hired.'' Their editorial was headlined, ''The Right Minimum Wage: $0.00.'' The politically liberal editorial policy of the New York Times caused them to ask: ''If a higher minimum means fewer jobs, why does it remain on the agenda of some liberals?'' Their answer: the liberal arguments aren't convincing—particularly since ''those at greatest risk from a higher minimum would be young, poor workers, who already face formidable barriers to getting and keeping jobs.''

Because in so many cases the minimum wage jobs that will be lost are the all-important first jobs—the jobs that give young Americans the experience, the discipline, and the references they need to move to better, higher-paying jobs in the future—an imprudent increase in the minimum wage would contribute to cycles of poverty and dependence. Such Government focus on starting wages is especially misguided since low paying, entry-level jobs usually yield rapid pay increases. According to data compiled by the Labor Department, 40 percent of those who start work at the minimum wage will receive a raise within only 4 months. Almost two-thirds will receive a raise within a year. After 12 months' work at the minimum wage, the average pay these workers earn jumps to more than $5.50 an hour—a 31 percent increase.

In a very real sense, the minimum wage is really a starting wage—the pay an unskilled, inexperienced worker can expect on first entering the work force. Once these workers have a foot on the employment ladder, their hard work and abilities are quickly rewarded. But these rewards can only be earned if workers can find that all-important first job. Consider who earns the minimum wage. According to the Labor Department, half are under 25 years of age, often high school or college students. Some 63 percent work part-time, 62 percent are second-income earners. And fully 80 percent live in households with incomes above the poverty level. Even Labor Secretary Robert Reich, in a 1993 memorandum to now-Treasury Secretary Robert Rubin, admitted that ''most minimum wage earners are not poor.'' But while undue increases in the minimum wage do little to help the poor, curtailing unskilled employment opportunities will exacerbate poverty.

Bill Clinton himself has argued against raising the minimum wage. In 1993, he called it ''the wrong way to raise the incomes of low-income workers.'' He was right: according to Labor Department statistics, half a million jobs were lost in the 2 years following the last increase in the minimum wage. In the year after the minimum wage was increased, 15.6 percent fewer young men (aged 15–19), and 13 percent fewer women, had jobs. Over three-fourths of the 22,000 members of the American Economics Association believe a minimum wage increase would lead to a loss in jobs. Many estimates of the cost of raising the minimum wage exceed one half of a million jobs lost. One such study, by Michigan State University Professor David Neumark and Federal Reserve economist William Wascher, estimates a loss between 500,000 and 680,000 jobs.

''The primary consequence of the minimum wage law is not an increase in the incomes of the least skilled workers,'' liberal economists William Bumble and Clinton Federal Reserve appointee Alan Blinder recently wrote, ''but a restriction of their employment opportunities.'' An increase would also be an unfunded mandate on every State and locality in America. According to the Congressional Budget Office, the minimum wage increase will cost State and local governments, that is, taxpayers, $1.4 billion over 5 years.

President Clinton did not raise the issue of the minimum wage publicly during 1993 or 1994, when the Democrats controlled the Congress. Congressional Democrats, likewise, failed to hold even a single hearing on the minimum wage during that same period. The Democratic devotion to this issue in 1996 is entirely political—and, as the New York Times editorialized, inexplicable for liberals who care about the working poor.

The snare and delusion of wage and price controls must not distract us from the fundamental economic and fiscal policy reforms necessary to expand our economy and create good job opportunities for all Americans. A balanced budget, tax relief for workers and small business, and regulatory relief from unnecessary Government red tape offer the surest means of steering our economy toward lasting growth. Comprehensive welfare reform that promotes work and breaks the cycle of dependency can go far toward restoring the natural incentives for individual responsibility and personal growth. And redoubled efforts to focus our educational resources in the classroom—where educators, parents, and students exercise control over learning rather than taking dictation from Federal and State governments—can pave the way for a better trained and more employable workforce for the future.

These solid Republican policies will lead us to a better, stronger America. Wage and price controls, in contrast, are premised on the notion that Government fiat can raise wages without cost—a notion that fails both in theory and in fact. It is individual initiative rather than government beneficence that creates wealth, jobs, and a higher standard of living for all Americans.

Mr. FAZIO of California. Mr. Speaker, America needs a raise.

And it's about time—in the 5 years since the last minimum wage increase, its purchasing power has sunk to a 40 year low.

But rather than schedule a straight up or down vote on a minimum wage increase, the Republican leadership has loaded down this bill with provisions which renew their attacks on working families.

This bill would include a lower required wage for tipped restaurant workers, an overtime exemption for computer workers, and a subminimum training wage for new hires.

Our Republican colleagues just don't seem to get it. They don't seem to understand that a 90-cent increase in the minimum wage means 7 months of groceries, a year of health care costs, 9 months of utility bills, or 4 months of housing.

This is another example of how the other party has lost touch with what most Americans are thinking about the minimum wage. Over 80 percent of Americans not only believe in the minimum wage, but think that it should be raised.

My colleagues, this proposal is one more example of the do-nothing GOP Congress creating more legislative gridlock.

Let's not bury the minimum wage increase in a tangle of legislative language which would result in denying minimum wage protections to millions of working men and women. Let's honor America's working families by increasing the minimum wage.

Vote ''no'' on the Goodling amendment and ''yes'' on a clean minimum wage increase.

Ms. MILLENDER-McDONALD. Mr. Speaker, I rise in support of the amendment and ask unanimous consent that I be allowed to revise and extend my remarks in the CONGRESSIONAL RECORD.

About 12 million people will benefit from a 90 cent increase in the minimum wage according to the Economic Policy Institute, many of whom are my constituents.

An increase in the minimum wage would enable thousands of my constituents to move out of poverty and into the world of work and self-sufficiency. America's working class has been doing without for long enough.

Seventy-eight percent of the American people favor the plan by President Clinton reflected in the Riggs amendment to raise the minimum wage by 90 cents over 2 years.

The minimum wage directly rewards hard work. An increase in the minimum wage would send a signal to millions of Americans that we have not forgotten them, we appreciate and support them.

Mr. SKAGGS. Mr. Speaker, I rise in strong support of increasing the minimum wage for this Nation's working poor. The minimum wage law is designed to help ensure working Americans earn enough to live on. Under the current minimum wage, a full-time worker earns $8,840 a year, well below the poverty level for a single-parent family of three. No person working full-time should have to live in poverty.

The entire country benefits when we encourage self-sufficiency and reduce dependency on welfare. We want work to be more attractive than welfare—increasing the minimum wage helps accomplish that. And while the earned income tax credit would be another good way to help low-income workers, the Republican majority wants to cut the credit, not increase it. That is one reason it is so important that we raise the minimum wage.

Despite the claims of the Republicans who oppose increasing the minimum wage, the minimum wage is not a wage only for teenagers who have part-time jobs and live with their parents. Of those earning minimum

wage, 70 percent are adults 20 years old or older. Under the current minimum wage, these Americans are trying to support themselves on $4.25 per hour.

An increase in the minimum wage is also a pay raise for women. Even though there are fewer women in the workforce than men as a percentage, 63 percent of those earning minimum wage are women. Allowing the current minimum wage, which is at a 40-year low when adjusted for inflation, to remain at an historically low value disproportionately hurts America's working women.

It is time to give working Americans a raise—it's time to increase the minimum wage.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from California [Mr. RIGGS].

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

RECORDED VOTE

Mr. RIGGS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 266, Noes 162, not voting 5, as follows:

[Roll No. 192]

AYES—266

Abercrombie
Ackerman
Andrews
Bachus
Baesler
Baldacci
Barrett (WI)
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blute
Boehlert
Bonior
Bono
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Buyer
Canady
Cardin
Castle
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cremeans
Cummings
Danner
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Durbin
Edwards
Engel
English
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fox
Frank (MA)
Franks (NJ)
Frisa
Frost
Furse
Ganske
Gejdenson
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Gordon
Green (TX)
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hayes
Hefner
Heineman
Hilleary
Hilliard
Hinchey
Hobson
Hoke
Holden
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
LaFalce
LaHood
Lantos
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lightfoot
Lincoln
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDade
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Morella
Murtha
Nadler
Neal
Neumann
Ney
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Quinn
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Ros-Lehtinen
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schiff
Schroeder
Schumer
Scott
Serrano
Shaw
Shays
Sisisky
Skaggs
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Solomon
Spratt
Stark
Stockman
Stokes
Studds
Stupak
Tanner
Tauzin
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Walsh
Waters
Watt (NC)
Waxman
Weldon (PA)
Weller
Whitfield
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zimmer

NOES—162

Allard
Archer
Armey
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bliley
Boehner
Bonilla
Brewster
Brownback
Bryant (TN)
Bunning
Burr
Burton
Callahan
Calvert
Camp
Campbell
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cubin
Cunningham
Davis
DeLay
Dickey
Doolittle
Dornan
Dreier
Dunn
Ehlers
Ehrlich
Emerson
Everett
Ewing
Fawell
Fields (TX)
Fowler
Franks (CT)
Frelinghuysen
Funderburk
Gallegly
Gekas
Geren
Gilchrest
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hoekstra
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Jones
Kasich
Kim
Kingston
Klug
Knollenberg
Kolbe
Largent
Latham
Laughlin
Lewis (KY)
Linder
Livingston
Lucas
Manzullo
McCollum
McCrery
McInnis
McIntosh
McKeon
Meyers
Mica
Miller (FL)
Montgomery
Moorhead
Myers
Myrick
Nethercutt
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Rohrabacher
Rose
Roth
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shuster
Skeen
Smith (MI)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Talent
Tate
Taylor (NC)
Thomas
Thornberry
Tiahrt
Vucanovich
Walker
Wamp
Watts (OK)
Weldon (FL)
White
Wicker
Wolf
Zeliff

NOT VOTING—5

Barcia
Becerra
Horn
Molinari
Ward

□ 1319

Mr. DAVIS and Mr. EWING changed their vote from ''aye'' to ''no.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. WARD. Mr. Speaker, I was unavoidably absent during the recording of rollcall vote No. 192. Had I been present, I would have voted "yea."

PERSONAL EXPLANATION

Mr. BONO. Mr. Speaker, due to an error, I was incorrectly recorded on the Riggs amendment today, rollcall vote No. 192. I wish the RECORD to reflect I intended to vote ''No'' and emphasize my opposition to raising the minimum wage. That is why I voted against this bill on passage. I just want to remain consistent on this issue.

PERSONAL EXPLANATION

Mr. BARCIA. Mr. Speaker, due to unforeseen circumstances, I was unable to be present on the floor for the last vote. Had I been present, I would have voted ''yes'' on increasing the minimum wage.

PERSONAL EXPLANATION

Mr. HORN. Mr. Speaker, on rollcall No. 192, I was unavoidably detained on official business and was not able to vote in support of the Riggs amendment. I strongly support the increase in the minimum wage and, if present, would have voted "aye."

The SPEAKER pro tempore. It is now in order to consider the amendment printed in part 2 of House Report. 104–590.

AMENDMENT OFFERED BY MR. GOODLING

Mr. GOODLING. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GOODLING: Add at the end the following:

SEC. 3. FAIR LABOR STANDARDS ACT AMENDMENTS.

(a) COMPUTER PROFESSIONALS.—Section 13(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(a)) is amended by striking the period at the end of paragraph (16) and inserting ''; or'' and by adding after that paragraph the following:

''(17) any employee who is a computer systems analyst, computer programmer, software engineer, or other similarly skilled worker, whose primary duty is—

''(A) the application of systems analysis techniques and procedures, including consulting with users, to determine hardware, software, or system functional specifications;

''(B) the design, development, documentation, analysis, creation, testing, or modification of computer systems or programs, including prototypes, based on and related to user or system design specifications;

''(C) the design, documentation, testing, creation, or modification of computer programs related to machine operating systems; or

''(D) a combination of duties described in subparagraphs (A), (B), and (C) the performance of which requires the same level of skills, and

who, in the case of an employee who is compensated on an hourly basis, is compensated at a rate of not less than $27.63 an hour.''.

(b) TIP CREDIT.—The next to last sentence of section 3(m) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(m)) is amended to read as follows: ''In determining the wage an employer is required to pay a tipped employee, the amount paid such employee by

the employee's employer shall be an amount equal to—

''(1) the cash wage paid such employee which for purposes of such determination shall be not less than the cash wage required to be paid such an employee on the date of the enactment of this paragraph; and

''(2) an additional amount on account of the tips received by such employee which amount is equal to the difference between the wage specified in paragraph (1) and the cash wage in effect under section 6(a)(1).

The additional amount on account of tips may not exceed the value of the tips actually received by an employee.''.

(c) OPPORTUNITY WAGE.—Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) is amended by adding at the end the following:

''(g)(1) In lieu of the rate prescribed by subsection(a)(1), any employer may pay any employee of such employer, during the first 90 consecutive calendar days after such employee is initially employed by such employer, a wage which is not less than $4.25 an hour.

''(2) No employer may take any action to displace employees (including partial displacements such as reduction in hours, wages, or employment benefits) for purposes of hiring individuals at the wage authorized in paragraph (1).

''(3) Any employer who violates this subsection shall be considered to have violated section 15(a)(3).

''(4) This subsection shall only apply to an employee who has not attained the age of 20 years.''.

(d) SMALL BUSINESS EXEMPTION.—

(1) SPECIAL INDUSTRY COMMITTEES.—Section 5(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 205(a)) is amended by striking ''engaged in commerce or in the production of goods for commerce or employed in any enterprise engaged in commerce or in the production of goods for commerce'' each time that it appears and inserting each time the following: ''who are (1) engaged in industrial homework subject to 11(d) and are either (A) engaged in commerce, or (B) engaged in the production of goods for commerce, or (2) employed in an enterprise engaged in commerce or in the production of goods for commerce''.

(2) MINIMUM WAGE.—Section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)) is amended by striking ''who in any workweek is engaged in commerce or in the production of goods for commerce, or is employed in an enterprise engaged in commerce or in the production of goods for commerce'' and inserting the following: ''who in any workweek is engaged in industrial homework subject to 11(d) and is either engaged in commerce or engaged in the production of goods for commerce, or employed in an enterprise engaged in commerce or in the production of goods for commerce''.

(3) WAGE ORDERS.—Section 8(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 208(a)) is amended by striking ''employers in American Samoa engaged in commerce or in the production of goods for commerce or'' and inserting in lieu thereof ''employers in American Samoa''.

(4) MAXIMUM HOURS.—Paragraphs (1) and (2) of section 7(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207(a)) are each amended by striking ''who in any workweek is engaged in commerce or in the production of goods for commerce, or is employed in an enterprise engaged in commerce or in the production of goods for commerce'' and inserting the following: ''who in any workweek is (A) engaged in industrial homework subject to 11(d) and is either (i) engaged in commerce, or (ii) engaged in the production of goods for commerce, or (B) employed in an enterprise engaged in commerce or in the production of goods for commerce''.

(6) SEX DISCRIMINATION.—Paragraphs (1) and (2) of section 6(d) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)) are each amended by inserting after ''employees subject to any provisions of this section'' the following: ''or employees engaged in commerce or in the production of goods for commerce''.

(7) HANDICAPPED WORKERS.—Section 14(c)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 214(c)(1)) is amended by inserting after ''injury'' the following: ''and who are engaged in commerce or in the production of goods for commerce, or who are employed in an enterprise engaged in commerce or in the production of goods for commerce''.

(8) PRESERVATION OF COVERAGE.—In the case of an employee who on May 15, 1996, was subject to section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1) and who because of the amendments made by this subsection is not subject to such section, the employer of such employee on such date shall—

(A) pay such employee not less than the minimum wage in effect under such section on May 15, 1996;

(B) pay such employee in accordance with section 7 of such Act (29 U.S.C. 207); and

(C) remain subject to section 12 of such Act (29 U.S.C. 212).

No employer may take any action to displace employees (including partial displacements such as reduction in hours, wages, or employment benefits) for purposes of hiring individuals at less than the wage authorized in subparagraph (A) or to avoid the protections of subparagraphs (B) and (C). Any employer who violates the preceding sentence shall be considered to have violated section 15(a)(3) of the Fair Labor Standards Act of 1938.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. GOODLING] and a Member opposed each will control 30 minutes.

Does the gentleman from Missouri [Mr. CLAY] wish to be recognized in opposition?

Mr. CLAY. Mr. Speaker, I do. I yield 14 minutes of my time to the gentleman from Connecticut [Mr. SHAYS], and ask unanimous consent that he be allowed to yield time as he sees fit.

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

There was no objection.

Mr. GOODLING. Could the Speaker tell me what the arrangement is now?

The SPEAKER pro tempore. The gentleman from Missouri [Mr. CLAY] has agreed to give 14 minutes of his 30 minutes to the gentleman from Connecticut [Mr. SHAYS] for purposes of the gentleman from Connecticut being able to control time and yield time. So the gentleman from Connecticut [Mr. SHAYS] will control 14 minutes, the gentleman from Missouri [Mr. CLAY] will control 16 minutes, and the gentleman from Pennsylvania [Mr. GOODLING] will control 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GOODLING].

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

Mr. Speaker, as I indicated earlier today, after we make the decision to move ahead with raising the minimum wage, then the question comes, what do we do for the most vulnerable, the unskilled, the poorly educated, the dropouts, the teens, the senior citizens, who both need the time and the therapeutic help of a job? Any my response to that was that we do what we have done every time we have raised the minimum wage: We went back to see what it was we could do to alleviate some of the problems that we were going to have in relationship to the unskilled, the poorly educated, the teens, the senior citizens.

So every time we have had a minimum wage discussion, every time we have had a minimum wage increase, we have always gone back and made the exceptions and the exemptions, so that the small businesses could provide those jobs for those most in need, and so small businesses could create those jobs that small businesses must create if as a matter of fact we are going to have a growing economy.

So today, I have an amendment that will do what we have always done in the past when we have had these minimum wage discussions.

I do want to clarify there are two votes on the amendment, a vote on the section dealing with the small business exemption, which I will discuss momentarily, and a separate vote on the rest of the en bloc amendments.

What are these en bloc amendments? First of all, the tip credit. Nothing new, same as we have always done it. The tip credit, the Fair Labor Standards Act currently includes a tip credit whereby employers of tip employees may count tips up to $2.13 an hour, that is under your current law. In the event that the employee does not receive at least that $2.13 and up to the minimum wage, the employer then must pay the difference between the $2.13 and whatever that minimum wage may be. The employer must contribute those additional amounts of wages to make sure that they have reached the minimum wage.

The amendment codifies the current level of tip credit, maintains the minimum wage protection for tip employees in that the employer would still be required to make up the difference in wages between the new minimum wage and $2.13 per hour whenever the tips received by the employee are insufficient to make at least the minimum wage. Most of these people are making $7 to $8 an hour.

Small business exemption: My, we have heard a lot about something that has been around a long, long time in every piece of fair labor standards legislation that comes before us, and that is a small business exemption.

It would address a problem with small business exemption that was created by the 1989 amendments to the Fair Labor Standards Act. In 1989, when the minimum wage was last increased, Congress agreed to increase the small business exemption to $500,000. That is the law. However, the

ultimate legislation that passed inadvertently resulted in situations in which individual employees of small businesses could be covered, even if their employer was otherwise exempt, if their work was involved in interstate commerce. In other words, one employee might be covered while another sitting side-by-side would not. I used the illustration all the time how silly this is. You have a business, and it is mostly done through telephone, and you have two people sitting side-by-side. One is calling out of State, receiving one wage; one is calling in State, receiving a different wage.

Not only that, if you are calling in State one day, you have to keep a record because you get a different wage then, and the next day you are calling out of State, you have to keep that record so that as a matter of fact, you do not get in trouble under the Fair Labor Standards Act.

This is what they tried to correct in 1989.

Now, let me tell you, as I have up here, I have Mr. Espy's Dear Colleague letter, and I say that my amendment restores what was the intention of Congress when the small business exemption was increased in 1989. In fact, it uses language that was developed by Representative Espy.

I might also point out that that legislation was endorsed by the arch conservatives, the gentleman from Wisconsin [Mr. KLECZKA], the gentleman from New York [Mr. OWENS], the gentleman from West Virginia [Mr. RAHALL], more arch conservatives, the gentleman from New York [Mr. SERRANO], the gentleman from Missouri [Mr. VOLKMER], and the gentleman from Indiana [Mr. VISCLOSKY].

Mr. VOLKMER. Mr. Speaker, will the gentleman yield? The gentleman used my name.

Mr. GOODLING. Mr. Speaker, I will not yield. I did not use the gentleman's name in vain. I just used his name as it was written in black and white.

The SPEAKER pro tempore. The gentleman from Pennsylvania controls the time.

□ 1330

I have improved upon his legislation initiative because I have grandfathered all of these people who are now inadvertently receiving this money. So when someone tells us someone is going to lose money, they are not going to lose money because they are grandfathered. They are going to continue to receive the inadvertent increases that they presently receive. They are grandfathered.

Not only are they grandfathered, I improved the legislation because I made it very clear that they cannot dismiss someone to get around and have some kind of a loophole. So it is improved legislation.

But there were 67 Democrats, there were 90 Republicans that sponsored that, and we have a whole history of what the committee said. The committee said the act is to create a more uniform small-business exemption. This was not a committee under Republican leadership, this was a committee under Democrat leadership. And it says the act is to create a more uniform small-business exemption. Small enterprises whose total volume of sales or businesses do less than $500,000 would no longer be covered.

Now, we are talking about businesses where the employees are somewhere between 2 and 10 at the most. And if we look at all the exemptions that are presently in the law, we will find that there are not that many left because the self-employed do not fit, we cannot find any chain restaurant that fits into any kind of exemption because they all make more than $500,000, and we cannot take the white-collar workers because they are exempted.

And so the whole argument that we are talking about millions of people is just nonsense.

They go on to say, in eliminating several confusing tests to determine applicability of the act to various industries, the committee continues to demonstrate its support for the principle of a true small-business exemption. The committee believes, and again, this is not our committee I am talking about, I am talking about a Small Business Committee chaired by the Democrat Party, the committee believes that the increase in the minimum wage to restore the eroded value of the wage should be accompanied by a commemsurate increase in the enterprise test threshold.

Representative Austin Murphy, the chairman of the relevant subcommittee, stated, Our substitute sets the exemption ceiling at $500,000 for all businesses, with the exception of hospitals and other care facilities currently outlined in section 3(s)(5) of FLSA, which, incidentally, is unchanged by my amendment.

By the way, let me emphasize that existing employees, as I said before, are grandfathered.

So we have a lot of talk about that particular part of my en bloc amendment which is more talk than substance.

We have two other areas that we covered. In those two areas, one deals with an opportunity wage.

If Members will remember, in the last increase in minimum wage, included in that legislation was an opportunity wage or a training wage. That was two 60-day opportunities. This is much better because this says 90 calendar days, one time. Not two at 120 total, not two at 120 working days. Ninety calendar days, which gives them that opportunity to move up the ladder of success and gives the business the opportunity to train those that I was talking about; no skills, poor education, dropouts. They have that opportunity to train and move up that ladder of success.

I want to make sure Members also understand that in the small-business exemption it is what we do in every piece of legislation. Title VII of the Civil Rights Act, one of our most important labor laws, exempts employers with less than 15 employees. The Americans With Disabilities Act contains the same exemption. The Age Discrimination and Employment Act has a larger exemption, exempting up to 20 employees; the WARN Act on plant closings, less than 100 employees; the Family and Medical Leave Act legislation, less than 50 employees. So that is all in there now.

Two other areas. Computer professionals. This is the law at the present time. I am merely restating that law indicating that if they are making 6.5 times the minimum wage, they do not qualify; therefore, they are at $50,000, $55,000 a year. That is not who we are talking about in this minimum wage debate, and so we continue that.

If the amendment is not included, then any minimum-wage increase of $1 would mean they are up another $13,500. The amendment simply maintains the current exemption level for 6.5 times $4.25, or $27.63 per hour.

I did mention the opportunity wage, and, again, it is a starting wage. It would remain at the $4.25, the current level, and it is for those under 20 years of age and it is for the first 90 calendar days.

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

Mr. CLAY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, the Goodling amendment effectively denies an increase in the minimum wage to millions of current workers and denies minimum-wage and overtime coverage to millions of new workers.

The small-business exemption eliminates minimum-wage and overtime coverage for more than two-thirds of all businesses in this country. It guarantees that more than 10 million current workers will derive no benefit from future increases in the minimum wage. Employees in the garment industry sweatshops, farm workers, and workers in sheltered workshops are among those who will ultimately lose overtime protection if the Goodling amendment passes.

An estimated 3 million workers in the retail industry and another 4.5 million in the service industry would be exempted from the minimum wage and overtime law. Sixty-seven percent of all retail firms, and an astounding 78 percent of all service firms are exempted by this amendment.

Mr. Speaker, I doubt that this legislation would pass the Senate, and I expect that if it gets to his desk with the small-business exemption attached, that the President will veto the bill. I, for one, will not support final passage of this bill if this provision is part of the bill.

The rest of the Goodling amendment is not much better. The so-called opportunity wage provides that for the first 90 days of employment, 16- to 19-

year-olds can be paid only $4.25 an hour. The provision includes no assurance that teenagers will receive training, and the provision is not limited to a teenager's first job.

Finally, an employer would have a powerful incentive to hire teenagers looking for extra spending cash at the expense of workers who are seeking jobs to support their families. The subminimum wage will trap young, low-wage workers in subminimum employment.

The Goodling amendment also denies tipped employees any benefit from the increase in the wage. It is the employee who will effectively pay for this increase out of his own tips. Yet these workers, among those most in need of a minimum-wage increase, are not only denied this increase but are denied future increases as well under the Goodling amendment.

Mr. Speaker, we should not take two steps back in order to take one step forward. We should not turn our backs on millions of hard-working Americans. I urge my colleagues to defeat the Goodling amendment.

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

PARLIAMENTARY INQUIRY

Mr. SHAYS. Mr. Speaker, before yielding myself time, I would like to ask a parliamentary inquiry of how the speaker intends to divide the question. It is my understanding that there are four parts to this bill and there will be two votes.

The SPEAKER pro tempore. The gentleman is correct. The Chair will state his intention with regard to putting the question on the amendment presented by the gentleman from Pennsylvania [Mr. GOODLING].

The amendment will be divided into two parts on the question of its adoption. The Chair intends first to put the question on agreeing to the first part of the amendment comprising subsections (a), (b) and (c) of the new section that is proposed to be added to the bill by the Goodling amendment.

Thereafter, the Chair will put the question on the last part of the amendment, adding a subsection (d).

Mr. SHAYS. I thank the Speaker for answering my parliamentary inquiry.

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

The proponents of the minimum wage on this side of the aisle have asked for time and have graciously received it from my colleague, and I thank him very much for giving us this time to express general support for sections a, b and c of this amendment, but in opposition to part d, which is the $500,000 exemption for small businesses.

Our concern, very plainly put, is we think it is too broad. We believe that there are basically about 4 million people receiving the minimum wage today and of that number about half are affected by the $500,000 or less.

We believe that, ultimately, that when we increase the minimum wage, if we are successful, to the number of $5.15, that we will have another 16 million who will be positively affected in addition to the 4 million. But over half, over half of those individuals, over time, will be exempted from the minimum wage.

So we as proponents are encouraging an increase of the minimum wage at the same time we are opening a very large door in which too many people, regretfully, will be exempt from the minimum wage and the 40-hour workweek with time-and-a-half.

So, Mr. Speaker, I respectfully request that those Members who had voted for, one, to consider the minimum wage, when they voted to allow the Riggs amendment to come to the floor, and those 77 who voted for the Riggs amendment, will be willing to vote potentially ''yes'' on the first vote, a, b and c, but a definite strong ''no'' on part d, the $500,000 exemption.

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

Mr. CLAY. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. OLVER].

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

Mr. OLVER. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, Americans have spoken loud and clear: 80 percent of them say raise the minimum wage. Raise it now. And make it a clean, uncomplicated vote.

But, the Republican leadership finally found a way to frustrate the wishes of 80 percent of the people.

This amendment is a laundry list designed to exclude millions of Americans from receiving a deserved wage increase.

It won't apply to restaurant employees. It won't apply to anyone under age 20 during the first 90 days of a new job. It won't apply to employees of small businesses that do interstate business. And it won't apply to many high-technology employees eligible for overtime pay.

A raise in the minimum wage is supposed to benefit all workers. It is supposed to help low-income employees provide for themselves and their families. It is not supposed to exclude millions from the increase they desperately need.

Under this Republican amendment, special interests are the sole beneficiaries. And it is the worker and her family that are being hurt again.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. FATTAH.]

Mr. FATTAH. Mr. Speaker, I rise in opposition to the Goodling amendments in its total form.

I think even though the House should be commended for the action that we have taken in the majority to raise the minimum wage, the Goodling amendments would show us how quickly we can slip backward.

I do not believe we should be making those people who are employed and part of their compensation is in tips, requiring that the totality of what would, in effect, be this increase in the minimum wage, would have to come out of tips that they earned through the generosity of their customers.

I come from a city that has been claiming to be the most generous in the Nation. However, I would not want anyone to have to be dependent upon the tips of those whom they serve to be the principal basis for their increase in the minimum wage. I think it is wrong, and I think it is a step in the wrong direction.

I also think that when we look at the broad base of this exemption for small businesses, that I agree with my colleague, the gentleman from Connecticut [Mr. SHAYS], that it is just too broad.

□ 1345

Mr. SHAYS. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. QUINN], primary proponent of increasing the minimum wage.

Mr. QUINN. Mr. Speaker, I would like to go on record as opposing the Goodling amendments, and in particular take a few minutes to talk particularly about Goodling 2. That is the amendment that deals with the $500,000 small business exemption.

Mr. Speaker, people who work a 40-hour workweek ought to earn a livable wage. This amendment in my mind would deny that. Over 3,000,000 American businesses, two-thirds of all the businesses in our country, have an annual income under $500,000. These businesses employ 10½ million workers. That is more than 10 percent of all the workers in America. I think, Mr. Speaker, that, if we have worked as hard as we have worked, we had a bipartisan vote just a few months ago where over 70 Republicans supported the Riggs-Quinn-English-Martini minimum wage vote, we are headed in a bipartisan direction right now. I would urge any of our colleagues who are listening to the debate, any who have been involved these last 2 or 3 weeks, I would urge a ''no'' vote on the Goodling 2 amendment.

In my estimation, and others who have worked hard on the original bill that was dropped about 2 or 3 weeks ago, maybe a month ago, we would simply undo everything we have done by passing the minimum wage. We would exempt the very workers we are trying to help, the people that many times are not represented by organized labor. They are not represented by anybody in most cases but the Members who vote in this House and the Members who will vote in about 45 minutes.

Mr. Speaker, I urge a not vote on the Goodling amendments and in particular Goodling 2, which will be the small business exemption.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. SHAYS. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. HOYER].

The SPEAKER pro tempore (Mr. WALKER). The gentleman from Maryland [Mr. HOYER] is recognized for 3 minutes.

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

Mr. HOYER. Mr. Speaker, I rise in support of my Republican colleague who just spoke in a bipartisan way. We just voted 266 to 162 to raise the minimum wage so that we can get it up from a 40-year low. After months of pressure, this House will vote on raising the minimum wage in just a few minutes.

At a time when the minimum wage is at its lowest buying power in 40 years, we will vote to compensate millions of women and men for their hard work to support themselves and their families. We talk about being family friendly. Nothing is more family friendly than allowing wage earners to support themselves and their children to make work pay in a meaningful way. We will vote to make work pay more than welfare.

Today should be a joyful day for millions of American workers, but what the Republican Congress giveth with one vote, it taketh away with two others. Yet again, we have a situation in which we may give with one hand and take away with the other. These are two of the most cynical amendments, very frankly, and I say it with respect, that I have seen. While we raise the minimum wage with one amendment, another amendment would repeal it for 10,000,000 workers, leaving them with no minimum wage protection at all.

If you are a waitress spending long days on your feet to keep your family off welfare, the Goodling amendment means that you will not get an increase in your wages. You will not get an increase in your wages. If you are doing computer work during the day to put yourself through school, these amendments mean that you will not be paid for the overtime you work. These amendments will exempt thousands of small businesses from the most basic child labor laws and worker protections. That does not mean they will be violated, but they will lose the protection.

Mr. Speaker, American workers are not dumb. As a matter of fact, they are pretty smart. They see that the Goodling amendments would leave this minimum wage bill as a minimum wage emperor who has no clothes. I urge my colleagues to vote against the Goodling amendments. Let us pass a meaningful increase in the minimum wage for the first time in 7 years.

Let us reward work, make it pay, make sure that when people get off welfare, they can support themselves and their children. That is opportunity. That is the American dream. Let us act today to make it reality for millions of Americans.

Mr. GOODLING. Mr. Speaker, I yield myself 45 seconds.

Respected by cynical. Let me point out, here is what the Democrats said they were doing for small business in 1989, from the committee report, agreed to by many of the Democrats speaking here today. They said:

Small enterprises whose total volume of sales or business done is less than $500,000 would no longer be covered. In eliminating several confusing tests to determine applicability of the act to various industries, the committee continues to demonstrate its support for the principle of a true small business exemption.

That is what Democrats said in 1989, when we had the small business discussion. That is what I am saying today, exactly what they said then. I have not changed my stripes.

Mr. SHAYS. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. TORKILDSEN].

Mr. TORKILDSEN. Mr. Speaker, I would like to speak in favor of some of the provisions the gentleman from Pennsylvania [Mr. GOODLING] has offered but against the provision which would exempt all companies with less than $500,000 in gross sales.

One of the speakers previously said that if the first Goodling amendment went through, that people who are computer programmers would not get overtime. That is clearly not the case. What the amendment says is, if you make more than $27.63 an hour, you would not qualify for overtime. We hare having a debate on the minimum wage. That is appropriate. But someone who is making $27.63 an hour is not a minimum wage worker. It is a very different argument here. That provision simply clarifies an oversight in a previous bill which said that if you made $27.63 an hour, you still received overtime.

I think most people would say if you are making that much money, if you are making $50,000 a year, it is not the same as being a waitress or a waiter, it is not the same as working at a convenience store or fast food restaurants. Clearly overtime for someone making $50,000 or more each year is not the same as those entry-level workers making a very, very minimal wage.

I think the other provisions are reasonable as far as they go. Waiters and waitresses who are making less than $5.15 an hour would see their wages increased. I think it is important that that be stressed because it is being glossed over in the debate. Everyone would have to make at least that $5.15 per hour. That is something that has to be insisted on as well.

The training wage for 90 days, I think this is a reasonable compromise. The original proposal was to have an open-ended training wage. I would have voted against that. But to say for just 90 days for teenagers, the people who really do need some job skills, I think is a reasonable compromise, and I think that is worthy of support, too.

However, I will repeat my opposition to the provision exempting all small businesses with less than $500,000. I think that is too open-ended a bill. I would urge my colleagues to vote ''yes'' on the first three and ''no'' on the final provision.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Speaker, this debate today was supposed to be about raising the minimum wage—about raising the minimum wage—about giving hardworking people at the bottom of the economic ladder a little bit more in their paycheck each week. But it is not. The Republican majority has turned this into a bill repealing the minimum wage. The Goodling amendment would do away with the minimum wage for as many as 10 million working people. If your employer wants to pay you $2 an hour, that is okay with the Republicans.

My colleagues, what the Republicans are doing on this floor today is a shame and a disgrace. It is obscene. You ought to be ashamed of yourselves. Where is your sense of common decency? What you are doing today is not only unfair and unjust—it is un-American.

We should be here to raise the minimum wage, not repeal it. If ever there was an issue that defined Democrats and Republicans, this is it. Democrats believe that if you work hard 40 hours a week, you should not have to live in poverty. Republicans, extreme Republicans, believe in repealing the minimum wage. If people live in poverty—so be it. Today the extremist Republican majority has shown its true colors.

What you are doing today is wrong. I know it is wrong. You know it is wrong. And the American people know it is wrong.

Mr. GOODLING. Mr. Speaker, I yield 3 minutes to the gentlewoman from Kansas [Mrs. MEYERS], chairman of the Committee on Small Business.

(Mrs. MEYERS of Kansas asked and was given permission to revise and extend her remarks.)

Mrs. MEYERS of Kansas. Mr. Speaker, last Wednesday, May 15, the Committee on Small Business held a hearing to listen to the concerns of small business owners who would be faced with some very unfavorable choices if the minimum wage is increased—denying unskilled workers the opportunity to learn a job and build their skills, and reducing hours for those currently on their payroll, to make the ledger balance at the end of the week.

One of our witnesses, Mr. Taalib-Din Uqdah, owns a business here in Washington, DC, called Cornrows and Co. He started his business in 1980 with $500. He now employs 12 full-time people, including himself and his wife, and grosses about $500,000 annually. He said in very clear, plain terms that an increase in the minimum wage will force him to deny job opportunities to those in our community that need it the most.

If we mandate an increase in the minimum wage without a useable small business exemption, he cannot afford to hire unskilled applicants at the minimum wage. The cost of their employment would be too great, making it more cost-effective for him to hire a skilled worker.

The amendment offered today by Chairman GOODLING would allow only

very small businesses to use the exemption passed in 1989. The Federal definition of small business generally includes businesses with gross receipts of $3 million a year. The standard in this exemption is just a portion of the small business community—the true Mom and Pop operations on Main Street America. And the protections built into the amendment for those currently earning the minimum wage results in 250,000 to 350,000 workers being affected, not the millions suggested by some Members of this body.

I am amazed by the current lack of concern for very small businesses, and for the hard-to-employ in our society, by some of my colleagues. Just 5 years ago, 150 Members of this House cosponsored legislation to make the exemption for small businesses effective for those grossing $500,000 a year or less.

Contrary to what many believe, an increase in the minimum wage increases the number of people on welfare. It increases the number of people on welfare. That was the experience nationally, after Congress increased the minimum wage in 1988, and a study conducted by Peter Brandon of the University of Wisconsin on the welfare rates of States that increased their minimum wage showed that the average time on welfare was 44 percent longer than in States that did not increase their minimum wage because fewer entry level jobs are available.

I urge the body to support Goodling 2.

□ 1400

Mr. SHAYS. Mr. Speaker, I yield 1½ minutes to my colleague, the gentleman from New York [Mr. BOEHLERT].

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

Mr. BOEHLERT. Mr. Speaker and my colleagues, I reluctantly rise in opposition to the Goodling amendments. I wish it were not so, but I think the weight of evidence compels me to do so. I think they are well-intended amendments, but the fact of the matter is the threshold exemption for small businesses of annual sales of $500,000 or less would really exempt 10 million workers from minimum-wage standards under the Fair Labor Standards Act, would exempt them from many provisions for overtime compensation, and I do not think that is right. I think we could end up with some people earning a couple of dollars an hour.

Now, my colleagues may say that is farfetched and that would not happen. Let me tell them how it would happen. We are determined in this Congress to end welfare as we know it if we can get the President's cooperation. One of the provisions of the bill that everyone seems to focus on is that we are not going to be on welfare in perpetuity. There will be a time certain when people will have to go off of welfare. Then the question is, where are they going to go to work? Where are the jobs? I would suggest that a lot of businesses could take advantage of that situation by saying to the person who has no choice, ''We will offer you $2 an hour, come work for us, and incidentally, if you are going to work 10 or 12 or 14 hours a day, no overtime.'' I just do not think that is right.

Second, I think the 90-day training wage period is wrong. I think in many cases we are going to have dad losing his job and the son taking the job. I think it is going to be taken advantage of. We know throughout history that these things happened. We wished they did not, but they do.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. FAWELL], a member of the committee.

Mr. FAWELL. Mr. Speaker, I thank the gentleman for yielding this time to me.

I simply want to emphasize the fact that I believe that what the gentleman from Pennsylvania [Mr. GOODLING] has presented in all four of these amendments are very reasonable ones, and I think also that I can say that when the minimum wage provision passes, as apparently it will pass as a part of this legislation, that we will have a better minimum wage law, and that basically is what we are all looking for.

All of these amendments that are being suggested are traditional amendments that have been attached in the past to minimum wage and overtime provisions. There is nothing new and startling, and when I hear some of the Members talk so emphatically and to seem to indicate that the end of the world is coming if we do not, for instance, refuse to add the small-business exemption that the gentleman from Pennsylvania [Mr. GOODLING] has presented, I just cannot quite understand why they are reacting the way they are reacting.

As has been pointed out by others, the small-business exemption for businesses that have gross receipts of under $500,000 is an established part of the provisions right now of the Fair Labor Standards Act. The only problem is that they have been undercut by what everybody, I think unions and everyone else, recognizes as an inadvertent error or a scrivenor's error in 1989 when, as a result of what I call the interstate clause came into being, and any employee, small business or not, I gather, is going to be subject to the interstate clause. If they are doing any business, that might put them under the interstate clause, such as answering the telephone on a long-distance call, that they would be subject to that.

Suffice it to say these are all very reasonable amendments. I would certainly urge my colleagues to endorse them.

Mr. SHAYS. Mr. Speaker, I yield 1¼ minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

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

Mrs. ROUKEMA. Mr. Speaker, I would express my support for the training wage provision as part of the Goodling proposal, but unfortunately I cannot support his whole proposal. Fortunately, there are going to be two votes on this.

I would like to point out that the training wage, I think as it was called back in 1989, is certainly a vital way, particularly for small businesses who would otherwise struggle with the minimum wage, and I do support that, and as I have said, fortunately there are going to be two votes here, my colleagues, so that we can express our support for the training wage, but I must absolutely oppose the small-business exemption in this proposal.

I think it is a poison pill and effectively will kill the minimum wage proposal, not only because the President will probably veto it on that ground, but also because the small-business exemption nullifies the increase in the minimum wage for than half of the workers currently.

So I reluctantly oppose it, but it would significantly reduce the number of workers who are covered by the minimum wage.

I would also like to point out that the exemption would also exempt the overtime provisions of the Fair Labor Standards Act, and I do not find that viable.

Mr. GOODLING. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska [Mr. BARRETT].

Mr. BARRETT of Nebraska. Mr. Speaker, I thank the gentleman from Pennsylvania [Mr. GOODLING] for yielding this time to me.

Mr. Speaker, I rise in reluctant support of the Goodling amendment. Without the Goodling amendments' 90-day opportunity wage for teenagers, I do have some fear that those who are trying to save for college or just entering the workplace and have no job skills will be denied new job opportunities, and without the amendment, struggling small businesses will have increased costs and might very well force many of them to close their doors.

With the Goodling amendment, businesses with less than $500,000 in annual income would be exempt from the minimum wage requirements, and with the Goodling amendment millions of jobs for teenagers will be saved. With the amendment, struggling small businesses and the jobs that they create would also be saved.

As many have said today, Mr. Speaker, a minimum-wage increase costs jobs and raises prices, and as the House appears willing to make a very costly mistake, the Goodling amendment is the only life preserver available for struggling small businesses and low-skilled labor.

Mr. Speaker, I would urge my colleagues to support the Goodling amendment.

Mr. SHAYS. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. RIGGS], one of the primary

sponsors of the minimum wage who introduced the bill along with the gentleman from New York [Mr. QUINN], and the gentleman from New Jersey [Mr. MARTINI], and the gentleman from Pennsylvania [Mr. ENGLISH].

Mr. RIGGS. Mr. Speaker, I thank the gentleman for yielding this time to me, and I find myself in a somewhat awkward position of both supporting and opposing my chairman, the distinguished chairman of the Committee on Economic and Educational Opportunities.

First of all, I very much support the Goodling amendments that deal with the tip credit, the opportunity of training wage and the computer professional changes to the Fair Labor Standards Act. The first two items, I think, go a long ways toward addressing the concerns of small business owners and business franchisees, especially those who happen to own convenience restaurants, and I heard that from some of the convenience restaurant owners in my congressional district.

But on the second item, the small-business exemption, I have to oppose that exemption. I believe it is overly broad. If we are going to grant a small-business exemption under the Federal minimum-wage requirement, it ought to apply only to businesses that are in a startup mode during that first year or two of operation when the survival of the small business is so tenuous.

So I have to oppose the small-business exemption as overly broad, as defeating, as many speakers have already said, the primary purpose of the minimum wage increase, and I would urge my colleagues on the division of the question, vote for the first Goodling amendment, but vote against the second Goodling small-business exemption amendment.

Mr. CLAY. Mr. Speaker, I yield 4¼ minutes to the gentleman from Michigan [Mr. BONIOR], the whip.

Mr. BONIOR. Mr. Speaker, I thank my colleague for yielding this time to me, and let me just commend my colleagues for the debate that we are having today and for those on the side of the issue on the Republican side of the aisle who are agreeing with us that we need to defeat particularly Goodling amendment No. 2.

I want to talk about that family today out there in America who would be affected by this, Mr. Speaker.

Mr. Speaker, somewhere in America today there is a young mother who got up early, got her kids out of bed, got them breakfast, got them ready for school, and then she went out to catch the early bus, and she is going to work a hard, long day, either taking care of our parents at a nursing home or cleaning tables at a diner, or stitching buttons in a factory with 100 degree heat, and at the end of the day she is going to go home, she is going to be bone-tired, she is going to make dinner, she is going to do homework with her kids, and then she is going to put them to bed. Tomorrow she is going to get up, and she is going to do it all over again.

But she has something that we cannot take away from her. She has the pride of work, and her kids are proud of her also because instead of taking welfare, she has chosen work over welfare, she has chosen to be a good role model for her kids. Like 12 million other people who work for the minimum wage today, she believes that her hard work is going to pay off for her in the end.

But instead of helping her build a better future for herself and her children, instead of rewarding her decision to choose work over welfare, this Congress on occasion has had so little respect for the hard work that she does that today we are trying actually to give her a pay cut.

For 4 months some on this side of the aisle, not all, but some, have tried to block us every step of the way as we have tried to raise the minimum wage, and now that the public pressure has become so great that it has forced them to act, now that we have actually a few minutes ago voted to raise the minimum wage by voting for Mr. RIGGS' amendment by 90 cents, they now are coming back with an amendment which will try to repeal the minimum wage for literally millions of Americans who are working today, many like that mother I have just described to my colleagues.

Make no mistake about it. This amendment repeals the minimum wage for millions of American workers.

Mr. Speaker, we cannot raise the minimum wage by repealing it. But that is exactly what they are trying to do today. Instead of creating incentives for work, this amendment creates more sweatshops, it lowers wages, it lowers living standards for millions of Americans.

Is this really what we want to do? Is that the message that we are trying to send today in honor of work in this country, that hard work does not pay, that 60 minutes of sweat and toil and bone-aching work are not even worth $4.25 an hour?

Mr. Speaker, the last time I checked, 85 percent of the American people said, ''Raise the minimum wage, not repeal it.'' The American people do not want us to return to the sweatshop days of old in the present. We want that ended. They want us to raise wages, not roll them back.

I urge my colleagues, let us have some respect for working people in this country, let us take some pride in the people who believe enough in themselves and enough in their futures to choose work over welfare. These people have big dreams, but they do not have big voices. They are counting on us to speak up for them today because, if we do not, nobody else will.

I urge my colleague to say ''no'' to this amendment, say ''no'' to repeal. Help us raise the minimum wage.

□ 1415

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, earlier today I said that I had supported the increase in the minimum wage in 1991. I did so primarily because the people who earn the minimum wage in my part of the country are, by and large, people who are age 20 and younger. They do that because in the summertime, our tourism industry has a fair demand for young people to come to the New Jersey shore in the summer to take jobs that customarily pay the minimum wage.

I thought I was doing the right thing for them, so I voted to increase the minimum wage. I found, however, that in talking to employers, those employers, during those summers in the intervening time, hired less teenagers than they had previously because we increased the cost of that labor.

This chart on my left demonstrates, I think, conclusively, just as 12 studies that I pointed to earlier, that increasing the minimum wage hurts teenagers more than it does any other segment of our society. This chart shows, on the red line, what the pattern of the minimum wage has been. In the middle 1980s it was quite high. It eroded because of inflation during the late 1980's. Then we increased the minimum wage, as the line shows, in 1991. Then it began to erode again because of inflation.

The blue line shows the unemployment rate of teenagers. Just as the minimum wage requirements decreased, the number of young people who are unemployed also decreases; or, said the other way around, the number of young people who are employed increases. There is a parallel track that goes along.

When we raised the minimum wage in 1991, the rate of unemployment for teenagers shot up and spiked as well. Of course, the same is true, the same downward trend is then true later. I say to my colleagues on both sides of the aisle, these are facts. This is not a feel-good vote, this is a factual vote that we need to take very seriously.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. CAMPBELL].

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

Mr. CAMPBELL. Mr. Speaker, the computer professionals' exemption is very simple and does deserve everybody's support. Here it is. Under the Fair Labor Standards Act, if you make 6½ times the minimum wage, then the time-and-a-half provisions no longer apply. But, since we increased the minimum wage, we suddenly have kicked up this threshold. So here is how the numbers work out. If you are presently making $55,000, the time-and-a-half provisions do not apply. But after today, unless we amend the bill, if you are making up to $68,500, time-and-a-half still applies.

What is the effect of that? It is time-and-a-half for people who are not doing badly in our society, and if you are working 50 hours a week, that is roughly an 8 percent increase of the total

cost of hiring you in America. For a 60 hour week it is going to be a 17 percent increase. These jobs have, can, do, and will go offshore. This amendment, to me, is awfully compelling.

Mr. Speaker, I want to conclude and take my last minute with an overwhelmingly strong endorsement of the opportunity wage offered by the gentleman from Pennsylvania [Mr. GOODLING]. I support all of his amendments, but let me say how strongly I support the opportunity wage. Please, whatever doubt there may be as to the overall effect of the minimum wage, though to me that is not in doubt, it does cost jobs; there is no doubt that it costs jobs for teenagers.

I am going to cite two studies. Professor Stiglitz has been cited often. I refer to his text once again, where he says, ''With the current level of minimum wage, only the very unskilled individuals are affected * * *. In the United States, perhaps the major unemployment effect of minimum wage is on teenagers.

The other is a 1981 study done by Congress, under the control of the other party, which found that a 10 percent increase in the minimum wage reduced teenager employment by between 1 percent and 3 percent. These studies are not in doubt. Please support the Goodling amendment to give teenagers at least this much relief from the minimum wage.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. GUNDERSON], a member of the committee.

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

Mr. GUNDERSON. Mr. Speaker, I, frankly, do not understand what all the fight is about. I have consistently voted for the increase in the minimum wage I think every time it has come up, the three different times during my tenure here in the Congress. Let us get that out of the way.

But, Mr. Speaker, can I suggest to everybody engaged in this debate, if the second part of the Goodling amendment goes down, you still have a $500,000 exemption. That is in law today. What is the difference, and what are we talking about? What we are talking about is whether or not there is going to be some geographic equity.

Take a look at districts like my own, 220 miles along the Mississippi River, towns 400, 300, 200 population, family businesses. Who is affected by the minimum wage? There is not a corporation in America that is affected by the minimum wage. They all pay above that. The only people affected by this debate are those small family businesses.

What we are suggesting here today in the Goodling amendment is that Larry's Lawnmower Shop in rural Wisconsin, Carol's Catering, or Jerry's Grocery, just because they have a customer that lives 2 miles down the road, but it happens to be over a bridge in Minnesota or Iowa, should not be unfairly impacted. They ought to have the same benefits of the $500,000 exemption that somebody living in the central part of Connecticut, the central part of Pennsylvania, the central part of Missouri ought to have; no more, no less. That is all this is about.

So can we cut out all the rhetoric about the fact that we are somehow going to deny all these people the minimum wage protections they have today? You know and I know that the Goodling amendment does not exclude one person who today has that minimum wage from getting anything lower. It does not allow that family business to displace them. The only thing the Goodling amendment says is that those of us who happen to be Members of Congress from border districts, that we can provide our family-owned businesses the same flexibility and the same geographic equity that the rest of you have. Vote for Goodling I and vote for Goodling II.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the chairman of the committee for yielding time to me, and I congratulate the gentleman from Pennsylvania [Mr. GOODLING] and the Republican leadership for allowing this vote on the minimum wage, but in addition rising to the greater challenge of looking at the minimum wage in the context of this Nation's need to strengthen the small business sector, the only sector that is creating jobs.

Mr. Speaker, as we move forward, and yesterday's tax package was a big step in the right direction, we have to recognize the reality that productivity and quality are the ultimate guarantors of employment. So in the Goodling amendment, the opportunity wage allows small businesses, now required to pay a higher minimum wage, to pay the current minimum wage as a temporary training wage for teenagers while they develop the productivity and the quality of performance on which the future of their employment depends.

I rise in very strong support of the work opportunity wage for teenagers and the computer professional fix and the tip credit adjustment in the Goodling amendment, because those things are all part of enabling small business to be strong and productive in a very competitive environment, while at the same time we assure to employees a minimum wage that will better meet their needs as full-time employees.

As a strong advocate of the minimum wage, I am urging support of the Goodling amendment to pass a work opportunity wage as I strongly supported the tax package yesterday and its work opportunity tax credit, to provide a wage subsidy for new employees needing a lot of training. But I am discouraged by the almost deceptive nature of the debate around the second Goodling amendment to reform the current law exclusion of very small businesses from the minimum wage.

That small business exclusion policy is law now. It has been broadly supported by Republicans and Democrats over many years. While I do not quite agree with the fix that is being offered to deal with some of its problems, it is misleading to imply that the small business exemption is controversial. Such exaggerated statements as these that have been made on the floor today, simply mislead rather than enlighten the public and our colleagues.

Mr. Speaker, I strongly support the first Goodling amendment and passage of the minimum wage increase.

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

Mr. Speaker, I first want to thank my colleague, the gentleman from Missouri [Mr. CLAY], for yielding me 14 minutes of his 30 minutes. It was a very gracious effort at bipartisanship which I want to thank him for.

I also want to thank the leadership of my party for allowing us to have very honest debates on all these issues, and to have the opportunity to debate our feelings as strongly as we feel. I believe with all my heart and soul in increasing the minimum wage, and while I have little concern about the Goodling amendment, the first part, his three positions on A, B, and C, I urge a strong no vote on part D, the $500,000 exemption.

Mr. Speaker, I just would like to point out to my colleagues, before 1989, businesses that were retail services that gross $362,000 or less were excepted from the minimum wage. All other businesses had to have a business of $250,000 or less, and they did not allow for interstate commerce.

When I voted for the increase in the minimum wage, I did not vote to except the interstate business. I voted for the minimum wage, to increase it to $500,000, and still leave in the interstate nonexemption. So I would contend this is not an attempt to fix, it simply widens it too large.

For those 76 who voted to allow the Riggs amendment to be debated, the 77 who voted for the Riggs amendment, the Quinn amendment, the Martini amendment, the English amendment to increase the minimum wage, voting on Goodling II in my judgment is a killer amendment. We do not have the votes to send it to the Senate if that amendment passes. I urge my colleagues to vote no on Goodling II, and I urge my colleagues to stay consistent with their vote to increase the minimum wage.

Mr. Speaker, I yield back the balance of my time.

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

Mr. Speaker, as I indicated earlier, if we tell the big lie enough times we will believe it ourselves. If we tell it more, we will have others believe it. It is interesting how this 1 million, 2 million, 30 million, 10 million, figure has been kicked around all day. As a matter of fact, Mr. Speaker, in 1989 when they got the figures that they needed in

order to do exactly what I am offering today, CRS said that there are 250,000 at minimum wage. That is the people we are talking about but none that are working today, because I grandfathered all of those.

Now is the time, Mr. Speaker, when we have to think a little beyond those who are employed. Now is the time we have to think about the unskilled. We have to think about the poorly educated. We have to think about the teens, and we have to think about the senior citizens. What is it that we can do, now that we raise the minimum wage, to make sure that employment is available for them, to make sure they are given an opportunity to improve those skills, to improve their literacy, to be able to be citizens who can be employed and who can make their way up the American dream ladder?

I would ask Members today to forget the rhetoric that they may have heard and think now beyond what they have been concentrating on, which has been those who are making minimum wage now or those who are above minimum wage, and think only about those that every study has indicated will reduce the availability of jobs for the unskilled, for the poorly educated, for the teens, for the senior citizens.

□ 1430

Again, what I am doing in that part 2 that they have talked about is exactly what the majority then wanted to be back in 1989. Let me also mention, when we are talking about a $500,000 cap, when the legislation came before President Kennedy in 1961, that exemption was $1 million. Translated in today's value, that is almost $5 million. Under President Johnson in 1967, it was $500,000, translated today to a value of $2.2 million.

Right on down the line, we are way below them. We are talking about $500,000. Again it is not silly to have two people sitting in the same room doing the same job, receiving different pay, simply because one is calling across the line and the other is calling in-State? How silly must they think we are, or even worse, if one day they are calling in-State, they get one wage, and the next day they are calling out-of-State, and they get a different wage.

I appeal to all of my colleagues, the minimum wage will be raised. Now let us concentrate our efforts on helping the most needy, the most vulnerable that we have in our entire society. We must think about those people, the unskilled, the poorly educated, the teens, the senior citizens.

I encourage all to vote for both amendments, the three en bloc and the one that will be voted on separately. As I understand, the vote will be the three first and then followed by the single amendment. I again appeal to all to consider the most needy, the most vulnerable in our entire society.

Mr. CLAY. Mr. Speaker, I yield the balance of my time to the gentleman from Missouri [Mr. GEPHARDT], the distinguished minority leader.

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

Mr. GEPHARDT. Mr. Speaker, I must say that I believe that there has been a change in the Republican Party. In 1989, we had 382 votes in this House to increase the minimum wage, and we had President Bush sign the bill.

I have great admiration for the Members like the gentleman from Connecticut [Mr. SHAYS] and others who have stood within their party and argued the case for a minimum wage, and I hope that many of them will vote against the Goodling amendment that exempts so many of these people from the minimum wage, because then I think we have a chance to pass a bill that will increase the minimum wage.

But this used to be a bipartisan issue. There was an understanding in our society that if you worked and you did what the society asks everyone to do, to work for a living, that you would be rewarded with a decent living wage. The Goodling amendment that exempts all these small businesses, in effect, repeals the minimum wage for millions of Americans. Why on God's green Earth would we want to do that?

The argument is that it loses jobs. How does increasing the minimum wage or having a minimum wage lose jobs? This argument has been made every time we have discussed this issue, and we have ever so often increased the minimum wage to keep up with inflation. It has not lost jobs.

Just think about it for a minute. Do you think anyone who gets the minimum wage does not immediately spend it on paying their bills? The money goes right back into the economy and we build the economy from the bottom up, not just from the top down. That person working in the short-order restaurant is going to pay their bills and buy meals in that restaurant, and pay their electric bill and pay their housing bill, and that money courses through the economy and creates economic activity and builds more jobs.

But putting that aside for a moment, do we ever want to get to a point in this country where we say one type of work should be paid 50 cents an hour and something else is more valuable? Look at the people that would be hurt under the Goodling amendment: Workers in manufacturing shops, insurance agency employees, employees of medical practices, security guards, garment workers, building maintenance workers.

Are we to say that somebody that carries around a bedpan in a hospital, cleaning up after people in the hospital, is not worth anything, that they have no meaning in their life; that only if you are a computer operator or an investment broker that you have meaning in this society? We have to honor work. We have to honor people's contribution to this society.

We had a woman here last week who held up the picture of her son, talked about her bills. She went through her bills.

She said, ''At the end of the month, I have no money for food.'' She said, ''I have to put a bill aside every month to pay for food for my children.'' She said, ''He got hurt in football practice, we wound up with an $1,000 bill.'' She said, ''I can't pay it, can't even think about paying it. So when the lawyers called, I told them you can't get something I don't have.''

Then she said a friend came to her and said, ''Go on welfare so you can get Medicaid.'' She said, ''I won't go on welfare. I want to work.''

That is what this is about. The majority leader has said he would fight this increase with every fiber in his being. Let me tell you, we will fight for this increase with every fiber in our being.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today to voice my opposition to the Goodling amendment.

It was my hope that we would not turn the issue of raising the minimum wage into a political football. The weight of public opinion is squarely on the side of raising the minimum wage, but the Republican leadership of this body could not provide a clean bill.

Representative Goodling's amendment would eliminate the existing provision which requires employers of tipped employees to pay at least 50 percent of the statutory minimum wage in cash and replaces it with a provision which locks the cash wage at the current standard of $2.13 an hour. It would also deny any automatic future increases in the minimum wage to those who work and earn tips as a part of their income.

The amendment would strip the interstate commerce provision and allow all businesses with gross annual sales of $500,000 or less to not pay the minimum wage. This amendment would go beyond the pre-1989 exemption which exempted only employees of small retail/service establishments. This would remove a substantial number of previously protected low-wage workers such as those found in garment industry sweatshops, industrial homework, and farmworkers.

The amendment also eliminates the existing provision exempting certain computer professionals from requirements that they receive overtime pay. This would mean that no additional computer professionals will be protected by the Fair Labor Standards Act's time and one-half overtime requirements.

In my Houston, TX, district that would mean a real income drop for computer professionals who would no longer be subject to this protection.

This amendment would make permanent a failed experiment contained in the 1989 amendment to the Fair Labor Standards Act that expired in 1993. Where employers were allowed on a temporary basis to pay a rate lower than the minimum wage. This change if widely used would create an incentive to displace older workers. Paying this lower wage to workers under age 20 for 90 days presumes that it must cost them less to live than you or me.

These subminimum wage workers will not get a corresponding break in the cost of livings. They will still have to care for their children and families just as they are required to do today. This change in the Fair Labor Standards Act would restrict these worker's

freedom to seek other employment opportunities that may be presented to them for fear of taking lower pay for a quarter of their first year of employment.

Some would argue that a raise in the minimum wage would result in high unemployment so the Goodling amendment is a good idea. If the proposal was more than a mere 90 cents divided between two years their might be some merit to that position. The real discussion should be about supporting those poor families that choose work over welfare.

The first step to moving people from poverty to selfsustainment is to raise the minimum wage for all workers with malice toward none.

Ms. ROYBAL-ALLARD. Mr. Speaker, we just passed the minimum wage amendment and now my Republican colleagues want to take it away from the American worker.

The Goodling amendments are slick strategies to prevent 13 million workers from receiving the 90 cents increase.

These Republican amendments gut the spirit of the minimum wage increase by denying benefits to almost 10 million minimum wage workers in retail and service firms; and teenagers under the age of 20; additionally millions of hardworking waiters and waitresses will be exempted from the wage increase.

Furthermore, millions of additional minimum wage workers will be losers because according to the Labor Department estimates, over two-thirds of American firms will be exempted from paying the minimum wage under these amendments.

It is time the Gingrich Republicans stop playing games with the American worker and give them the full benefit of the minimum wage increase just passed by this a large majority of this House and which is supported by the American people who know workers need a raise.

Vote ''no'' on the Goodling amendment.

Mr. COYNE. Mr. Speaker, I rise today in opposition to the proposed Goodling amendment. Mr. Speaker, the Fair Labor Standards Act has been the law of the land since 1938. The minimum wage, the 40-hour week, and the other provisions of the Fair Labor Standards Act have improved the quality of life of American working families immeasurably. And yet, for nearly 60 years, the Republicans in Congress have attempted to fight off or roll back Federal laws and regulations that protect American workers. Today's initiative is just the latest in a series of Republican attacks on American working families.

Up to 10 million Americans could lose their right to earn a minimum wage under this amendment. This is unacceptable.

You can not live on the current minimum wage. You can not raise a family on it. You certainly can not escape poverty earning the minimum wage. Now the Republicans want to eliminate the modest protection that the minimum wage provides for some of the most disadvantaged members of our society—people who are trying to play by the rules, people who work hard, people who already work long hours in difficult jobs.

My Republican colleagues want to gut Federal safety net programs like welfare and Medicaid. They want to reduce eligibility for the earned income tax credit. And now they want to roll back the protection provided by the minimum wage.

I say to my Republican colleagues, the hardworking low-income people of the United States need your help—not the back of your hand. I ask my colleagues to reject this mean-spirited, misguided piece of legislation. Let us pass a clean minimum wage increase.

The SPEAKER pro tempore (Mr. WALKER). All time has expired.

Pursuant to the rule, the question shall be divided between subsection (d) and the remainder of the new section proposed by the amendment offered by the gentleman from Pennsylvania [Mr. GOODLING].

The question is on the first three subsections of the new section proposed by the amendment offered by the gentleman from Pennsylvania [Mr. GOODLING].

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 239, nays 188, not voting 6, as follows:

[Roll No. 193]

YEAS—239

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bilbray
Bilirakis
Bliley
Boehner
Bonilla
Bono
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
Dickey
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Frelinghuysen
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
Lofgren
Lucas
Manzullo
McCollum
McCrery
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Minge
Montgomery
Moorhead
Moran
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Orton
Oxley
Packard
Parker
Pastor
Paxon
Payne (VA)
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Ramstad
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Sisisky
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tanner
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (FL)
Zeliff

NAYS—188

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barrett (WI)
Beilenson
Berman
Bevill
Bishop
Blute
Boehlert
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Durbin
Edwards
Engel
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Franks (NJ)
Frisa
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hastings (FL)
Hefner
Hilliard
Hinchey
Hoke
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Leach
Levin
Lewis (GA)
Lipinski
LoBiondo
Longley
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDade
McDermott
McHale
McHugh
McKinney
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Mink
Moakley
Mollohan
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Payne (NJ)
Pelosi
Peterson (FL)
Pomeroy
Poshard
Quinn
Rahall
Rangel
Reed
Richardson
Rivers
Ros-Lehtinen
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Shays
Skaggs
Skelton
Slaughter
Smith (NJ)
Spratt
Stark
Stokes
Studds
Stupak
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant

Velázquez
Vento
Visclosky
Volkmer
Walsh
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Young (AK)
Zimmer

NOT VOTING—6

Becerra
DeLay
Kingston
McNulty
Molinari
Ward

□ 1456

Ms. MILLENDER-MCDONALD, Mr. SHAYS, and Mr. DICKS changed their vote from ''yea'' to ''nay.''

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

So the first three subsections of the amendment were agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. DELAY. Mr. Speaker, on rollcall No. 193, I was unavoidably absent. Had I been present, I would have voted "yea."

PERSONAL EXPLANATION

Mr. WARD. Mr. Speaker, I was unavoidably absent during the recording of rollcall vote No. 193. Had I been present, I would have voted "nay."

Mr. SPEAKER pro tempore. The question is on subsection (d) of the new section proposed by the amendment offered by the gentleman from Pennsylvania [Mr. GOODLING].

PARLIAMENTARY INQUIRY

Mr. CLAY. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. CLAY. Mr. Speaker, my parliamentary inquiry is, is this the small business poison pill amendment that we are about to vote on?

The SPEAKER pro tempore. The Chair would not interpret the amendment, but would say to the gentleman that the question is on adopting subsection (d) of the new section proposed by the amendment.

The question is on subsection (d) of the new section proposed by the amendment offered by the gentleman from Pennsylvania [Mr. GOODLING].

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

RECORDED VOTE

Mr. GOODLING. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 196, noes 229, not voting 8, as follows:

[Roll No. 194]

AYES—196

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Ensign
Everett
Ewing
Fawell
Fields (TX)
Foley
Forbes
Fowler
Franks (CT)
Frelinghuysen
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Jones
Kasich
Kim
Klug
Knollenberg
Kolbe
Largent
Latham
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Lucas
Manzullo
McCollum
McCrery
McInnis
McIntosh
McKeon
Meyers
Mica
Miller (FL)
Montgomery
Moorhead
Myers
Myrick
Nethercutt
Neumann
Norwood
Nussle
Orton
Oxley
Packard
Parker
Paxon
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Ramstad
Roberts
Rogers
Rohrabacher
Roth
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Upton
Vucanovich
Walker
Wamp
Watts (OK)
Weldon (FL)
White
Whitfield
Wicker
Wolf
Young (FL)
Zeliff

NOES—229

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Beilenson
Bentsen
Berman
Bevill
Bishop
Blute
Boehlert
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
Deal
DeFazio
DeLauro
Dellums
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
English
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Ford
Fox
Frank (MA)
Franks (NJ)
Frisa
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Green (TX)
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hoke
Holden
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
LaFalce
LaHood
Lantos
LaTourette
Leach
Levin
Lewis (GA)
Lincoln
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDade
McDermott
McHale
McHugh
McKinney
Meehan
Meek
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Morella
Murtha
Nadler
Neal
Ney
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pomeroy
Poshard
Quinn
Rahall
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Shays
Sisisky
Skaggs
Skelton
Slaughter
Smith (NJ)
Spratt
Stark
Stockman
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Walsh
Waters
Watt (NC)
Waxman
Weldon (PA)
Weller
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Young (AK)
Zimmer

NOT VOTING—8

Becerra
Collins (MI)
DeLay
Deutsch
Kingston
McNulty
Molinari
Ward

□ 1516

The Clerk announced the following pairs:

On this vote:

Mr. DeLay for, with Mr. Deutsch against.

Mr. Kingston for, with Mr. Ward against.

So subsection (d) of the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. DELAY. Mr. Speaker, on rollcall No. 194, I was unavoidably absent. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mr. WARD. Mr. Speaker, I was unavoidably absent during the recording of rollcall vote No. 194. Had I been present, I would have voted "no."

The SPEAKER pro tempore. (Mr. WALKER). Pursuant to the rule, the previous question is ordered on the bill, as amended.

The question is on engrossment and third reading of bill.

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

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

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

RECORDED VOTE

Mr. GOODLING. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 281, noes 144, not voting 8, as follows:

[Roll No. 195]

AYES—281

Abercrombie
Ackerman
Andrews
Bachus
Baesler
Baldacci
Barcia
Barrett (WI)
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute

Boehlert
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Buyer
Canady
Cardin
Castle
Chapman
Chrysler
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cremeans
Cummings
Danner
de la Garza
Deal
DeFazio
DeLauro
Dellums
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Durbin
Edwards
Ehlers
Engel
English
Ensign
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodling
Gordon
Green (TX)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hayes
Hefner
Hilleary
Hilliard
Hinchey
Hobson
Holden
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
Klug
LaFalce
LaHood
Lantos
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lincoln
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCrery
McDade
McDermott
McHale
McHugh
McKinney
Meehan
Meek
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moorhead
Moran
Morella
Murtha
Nadler
Neal
Neumann
Ney
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pomeroy
Poshard
Pryce
Quinn
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Ros-Lehtinen
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Saxton
Schiff
Schroeder
Schumer
Scott
Serrano
Shaw
Shays
Sisisky
Skaggs
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Solomon
Spratt
Stark
Stearns
Stockman
Stokes
Studds
Stupak
Tanner
Tauzin
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Walsh
Waters
Watt (NC)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zimmer

NOES—144

Allard
Archer
Armey
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunning
Burr
Burton
Callahan
Calvert
Camp
Campbell
Chabot
Chambliss
Chenoweth
Christensen
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cubin
Cunningham
Davis
Dickey
Doolittle
Dornan
Dreier
Dunn
Ehrlich
Emerson
Everett
Ewing
Fields (TX)
Franks (CT)
Funderburk
Gekas
Geren
Goodlatte
Goss
Graham
Greene (UT)
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hoekstra
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Jones
Kim
Knollenberg
Kolbe
Largent
Latham
Laughlin
Lewis (KY)
Lightfoot
Linder
Livingston
Lucas
Manzullo
McCollum
McInnis
McIntosh
McKeon
Meyers
Mica
Miller (FL)
Montgomery
Myers
Myrick
Nethercutt
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Pombo
Porter
Portman
Quillen
Radanovich
Rohrabacher
Rose
Roth
Royce
Salmon
Sanford
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shuster
Skeen
Smith (MI)
Smith (TX)
Souder
Spence
Stenholm
Stump
Talent
Tate
Taylor (NC)
Thomas
Thornberry
Tiahrt
Vucanovich
Walker
Wamp
Watts (OK)
White
Wicker
Wolf
Zeliff

NOT VOTING—8

Becerra
DeLay
Deutsch
Hoke
Kingston
McNulty
Molinari
Ward

□ 1535

The Clerk announced the following pairs:

On this vote:

Mr. Deutsch for, with Mr. DeLay against.
Mr. Ward for, with Mr. Kingston against.

Mr. PACKARD changed his vote from ''aye'' to ''no.''

So the bill was passed.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. WARD. Mr. Speaker, I was unavoidably absent during the recording of rollcall vote No. 195. Had I been present, I would have voted "yea."

PERSONAL EXPLANATION

Mr. DELAY. Mr. Speaker, on rollcall No. 195, I was unavoidably absent. Had I been present, I would have voted "nay."

The title of the bill was amended so as to read: ''A bill to provide tax relief for small businesses, to protect jobs, to create opportunities, to increase the take home pay of workers, to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer owned vehicles, and to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate and to prevent job loss by providing flexibility to employers in complying with minimum wage and overtime requirements under that Act.''

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. WALKER). Pursuant to section 4 of House Resolution 440, the text of H.R. 1227 will be appended to the engrossment of H.R. 3448, and H.R. 1227 is laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2740

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that I be allowed to withdraw my name as a cosponsor of H.R. 2740.

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

There was no objection.

LEGISLATIVE PROGRAM

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

Mr. BONIOR. Mr. Speaker, I asked to speak for purposes of inquiring of the distinguished majority leader, the gentleman from Texas [Mr. ARMEY], the schedule for today and the remainder of the week and then next week.

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

Mr. BONIOR. I yield to my friend from Texas.

Mr. ARMEY. Mr. Speaker, I thank the gentleman from Michigan for yielding.

Mr. Speaker, we have concluded legislative business for the week. I am pleased to announce that Members are free to return home for the Memorial Day district work period. The district work period will continue through Monday, May 27, and Tuesday, the 28th. The House will return to business on Wednesday, May 29, at 2 p.m., for legislative business. Please note that we will not have any recorded votes before 5 p.m. on May 29.

Mr. Speaker, on Wednesday we will consider H.R. 3322, The Omnibus Civilian Science Act, the rule for which has already been adopted.

On Thursday, May 30, the House will meet at 10 a.m. to take up the military construction appropriations bill for fiscal year 1997, which of course will be subject to a rule.

Next week the House may also consider a privileged resolution from the Committee on Government Reform and Oversight that holds certain of the President's aides in contempt of Congress for refusing to turn over subpoenaed documents in the Travelgate investigation.

Mr. Speaker, we should finish legislative business by 2 p.m. on Friday of next week.

I thank the gentleman for yielding me this time and wish him an enjoyable weekend.

Mr. BONIOR. Mr. Speaker, I thank my colleague, and if I can just inquire, a couple of brief questions to my friend from Texas? We will have votes next Friday then, I take it from the gentleman's remarks?

Mr. ARMEY. Yes, we plan on having votes on Friday.

Mr. BONIOR. Would the gentleman care to inform us when he expects to go

to conference on the budget resolution next week?

Mr. ARMEY. Of course, I believe the Senate is still proceeding on that, but as soon as we can next week we will be going to conference.

Mr. BONIOR. And if I might inquire, what day does the gentleman from Texas expect to consider the privileged resolution concerning the subpoenaed documents that he referred to in his remarks?

Mr. ARMEY. Most likely on Friday.

Mr. BONIOR. Most likely on Friday.

And finally, in light of the close to $60 billion CBO estimates on the star wars or missile defense program, when does the gentleman think that bill will be brought back for consideration?

Mr. ARMEY. I have no announced plan at this time. I would like to bring it back in the next couple of weeks. But I will have to wait and to announce it later.

Mr. BONIOR. And I would say to my friend from Texas, if he could inform us how late Wednesday, that might help Members plan. The gentleman said 5 o'clock we will have our first votes. And we expect a late evening on Wednesday?

Mr. ARMEY. The science bill could go late. We would try to get some authority to roll votes so that we could organize the time on behalf of the Members, but we should be prepared to work late on Wednesday.

Mr. BONIOR. Mr. Speaker, I thank my friend. I wish him a happy Memorial Day weekend and a good evening.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

AUTHORIZING SPEAKER AND MINORITY LEADER TO ACCEPT RESIGNATIONS AND MAKE APPOINTMENTS, NOTWITHSTANDING ADJOURNMENT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Wednesday, May 29, 1996, the Speaker and the minority leader be authorized to accept resignations and to make appointments authorized by law or by the House.

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

There was no objection.

GRANTING MEMBERS OF THE HOUSE PRIVILEGE TO EXTEND THEIR REMARKS IN CONGRESSIONAL RECORD TODAY

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that for today all Members be permitted to extend their remarks and to include extraneous material in that section of the RECORD entitled ''Extensions of Remarks.''

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

There was no objection.

REQUEST FOR BASS TO BITE IN TEXAS

Mr. ARMEY. Mr. Speaker I ask unanimous consent that it be the will of the Congress that the bass bite early and often throughout the weekend in Texas.

Mr. SOLOMON. Mr. Speaker, I object if it is not in New York, too.

The SPEAKER pro tempore. Objection is heard.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will lay down the Senate adjournment resolution when it is received from the Senate.

DESIGNATION OF HON. ROBERT S. WALKER TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS THROUGH MAY 29, 1996

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

WASHINGTON, DC,
May 23, 1996.

I hereby designate the Honorable ROBERT S. WALKER to act as Speaker pro tempore to sign enrolled bills and joint resolutions through Wednesday, May 29, 1996.

NEWT GINGRICH,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the designation is agreed to.

There was no objection.

□ 1545

PERSONAL EXPLANATION

Mr. HOKE. Mr. Speaker, I was just called to my office and informed that I was not recorded on the last vote on H.R. 1227. I was present on the floor at the time, from the time of the first Goodling amendment, and apparently inadvertently left the floor without having cast my vote, although I was under the impression that I had.

My vote on final passage of 1227 would have been ''yes.''

SPECIAL ORDERS

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

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. WATERS] is recognized for 5 minutes.

[Ms. WATERS addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

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

[Mr. MCINTOSH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

QUESTIONING PRESIDENT CLINTON'S COMMITMENT TO OUR NATION'S SPACE PROGRAM, AND URGING MEMBERS TO SUPPORT BUDGET RESOLUTION ON NASA

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

Mr. WELDON of Florida. Mr. Speaker, I have a great deal of difficulty with President Clinton's real commitment to our Nation's space program. We have all heard his official position, but how does that compare with the demonstrated position? On the one hand, his science adviser says the President steadfastly opposes any cuts in science and technology. That came from Jack Gibbons on March 29. Vice President GORE said the President's 1997 budget will provide generous funding for science and technology. But if we look at what the President does to NASA's budget, if we look at what the President actually does, rather than what he says or his staff says, we get a different picture.

Mr. Speaker, the President made dangerous, deep cuts in NASA'S long-term budget. We can see on this graph that I have here, the House budget does decline NASA's budget slightly over 7 years in the effort to balance the budget, but the President's cuts are very, very deep and I believe seriously undermine our ability to have an effective and growing investment in science and technology.

Indeed, the President puts a lot of investment in a program that I think is of some questionable scientific value. One has to wonder about the foundations of his space policy. I believe the future of space exploration lies in programs such as our international space station and continuing our investment in the shuttle program, as well as developing new launch vehicles.

I know what would happen to our space program if the United States were left with the kind of budget that the President is proposing here. It would just be a shell of a program. Our

nation is a space-faring Nation. We are an exploring Nation.

If we look at the history of the great nations of the world and what happened to many of them when they stopped exploring and they stopped reaching out, they began to shrink. They began to diminish. They began to become less of a significance in the world. And they went on, to quote President Ronald Reagan frequently, into the dustpan of history.

Mr. Speaker, I believe that the $2 billion that the President wants to cut out of NASA's budget is setting the stage for that kind of development for our Nation. I believe what the House is doing is the responsible thing. We all know everybody has to play a role in balancing the budget, and everybody has to do their part.

It is wrong, it is immoral, to keep saddling our children with excessive amounts of debt. The debt burden, as we all know, today is huge, $5 trillion; something like $18,000 for every man, woman, and child. NASA has stepped up to the plate and has been able to continue doing what it has been doing in the past with fewer people. The men and women of NASA have done a yeoman's job in being able to continue the shuttle program, continue to allow it to fly safely, continue the space station on schedule and on budget, as well as continue investment in science research. But what the President is proposing, Mr. Speaker, I think would be devastating to our space program, and is just wrong. I believe that the President's budget proposal is the wrong approach to our science program.

Mr. Speaker, I would say that we could almost describe his space policy as being lost in space. Mr. Speaker, I would encourage all my colleagues to support our House budget resolution on NASA. It is the right proposal. It is a proposal that would allow us to continue our crucial investment in the space station, in the shuttle program, in the development of a new launch vehicle, and would not devastate the program, as the President is proposing.

THE HOUSE VOTE ON INCREASING THE MINIMUM WAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I think all of us can accept this week, as we head into the honoring and celebrating of our veterans and those who are in our military bases across this land and this world, that today we struck a very positive blow for working Americans. It is difficult sometimes with the flurry of debate and one accusation after another to really clear away some of the confusion, and to know whether or not we were in fact destructive, undermining, or whether in fact we have given something worthy for those who work every day in America.

I would simply like to indicate, Mr. Speaker, that this wound up being a bipartisan decision to increase the minimum wage. It was a reflection of over 80-percent of the American public who said yes, this is a good idea. In meeting with a small businessowner today for lunch from my hometown in Houston, I was very proud of her and the words she said, in offering, ''I think it is the right thing to do.''

We have heard in this debate again the rising of one and the sitting of another, and coming to the well to rebut what the other one has said. It seems confusing, and the singular tone or sound of those who opposed this was the elimination or the undermining of small businesses and the elimination of jobs that are given by small businesses. Let me say to America that that was an attractive hook for you to hang onto, but it was absolutely wrong.

First of all, the main point is that in the State of Texas, 1.1 million workers would be denied an increase if we had not raised the minimum wage. Right now the minimum wage is $4.25. I do not know about you, but I respect young people, and I am sorry that we used them as a hammer, as well: All the people making the minimum wage are young people.

Who says that the reason that they work is not a valid reason: supporting the family, adding to the ability to go to institutions of higher learning, or even being able to stay in school. Why should we denigrate our young people because they are at the bottom rung?

Second, let me say that, I hate to say it, minorities were used as another club: Well, if you raise the minimum wage, you will see the jobs lost for African-Americans and Hispanics and maybe women. Let me offer to say that this is not a racial issue. This is not to say that the only people who need an increase in the minimum wage are African-Americans and Hispanics. They are Americans.

Let me also give a point of information, that most of the small businesses owned by African-Americans, women, minorities collectively, are sole proprietorships. That means that they do not hire anyone, they are still climbing the rung, they are still climbing to access capital. But in fact, the broad number of individuals who work for a minimum wage are individuals who have families, who have opted to work over welfare. Why not reward them, being the first increase in almost 6 years, the lowest minimum wage since 1938 in terms of its output? In 1979 the minimum wage equaled $6.25, not in the number but in what it could purchase. What can you do with $4.25? That is giving you change back from a $5 bill.

So it was important for this house today to vote on a clean minimum wage bill, one that would increase it a mere 90 cents, to $5.15, and to rebut those arguments that you would put small businesses out of business or you would eliminate jobs.

We understand the free marketplace. Yes; I would be dishonest not to say that goods and services may increase because of the profit margin, but people will be working for a fair and decent wage. They will then circulate their dollars back into the system. We will give them dignity. They will be able to maintain a family, that 59 percent that we talked about, many of whom are single parents, women in particular.

I think it is important that we kind of clear the air and explain why, in fact, the Goodling amendment to exempt businesses of a certain category was not good, because those businesses in our malls of America where we go and shop, there are people who work there who go home every day and have the same responsibilities as all of us: the rent payment, the electricity payment. It is important not to make this a war against the American worker and small businesses. We can work to support small businesses, as we have done with the Small Business Tax Incentive Act, which I supported, and we, too, can vote for the American worker. I am glad today that we increased the minimum wage for all America to have a decent quality of life.

TRIBUTE TO LOUIS PASQUARELL, SR.

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

Mr. SOLOMON. Mr. Speaker, if you or other Members have ever been in my office, no doubt you've seen the fire helmets lining the walls.

I must have a hundred of them.

They are symbols of the enormous respect and admiration I have for volunteer firefighters.

It's not just that I used to be a volunteer firefighter myself in my hometown of Queensbury, in upstate New York.

It's more than that.

I could sum up my feelings about volunteer firefighters in three words: Louis Pasquarell Sr.

Mr. Speaker, Lou Pasquarell, Sr., is celebrating his 60th year as a volunteer firefighter.

As you all know, I measure a man by how much he gives to his community. And Mr. Speaker, by that yardstick, Lou Pasquarell, Sr. is a giant among men.

Let me tell you a few things about volunteer firefighters in general.

These are ordinary citizens from all walks of life who represent the only available fire protection in rural communities like the one I represent.

In New York State alone they save countless lives and billions of dollars worth of property every year.

They surrender much of their personal time, not only to respond to fires, but to upgrade their skills with constant training.

Yes, Mr. Speaker, fighting fires is a dirty, exhausting, and frequently dangerous job.

Volunteer firefighters approach that job with a selfless dedication, and the highest degree of professionalism.

Typical of these volunteers, or, I should say, more than typical, is Lou Pasquarell, Sr.

He joined the Jonesville Volunteer Fire Co. in Clifton Park 60 years ago.

Mr. Speaker, there is no way to calculate the lives and property he has helped save in those 60 years, the number of hours he has spent in that effort, or the number of younger firemen he has inspired.

Mr. Speaker, there are at least five other firefighters in the company who, when they were children, drove in parades in the miniature fire vehicle Mr. Pasquarell built for the Jonesville future firefighters.

He has served on numerous committees, the board of directors, and on the police fire squad.

He has been both a Lieutenant in the company and for many years the chairman of the district board of elections.

In his capacity as Captain of the fire police squad, he was instrumental in placing the area's first fire police vehicle in service.

He also organized a special event last Christmas at the firehouse through the adopt an angel program for a 6-year-old boy who suffers from a teminal illness.

Mr. Speaker, Lou Pasquarell Sr.'s contributions go far beyond his firefighting.

He also played a major role in building two bocci courts for use by Shenendehowa senior citizens on the pavilion on Main Street.

Mr. Speaker, it isn't too often you get to meet a living legend. And that's what Lou Pasquarell Sr. is.

So, Mr. Speaker, I ask you and all Members to join me in saluting this great volunteer fireman, this great American, this man I am privileged to call a good friend, Louis Pasquarell, Sr., of Clifton Park, New York.

□ 1600

The SPEAKER pro tempore (Mr. GOSS). Under a previous order of the House, the gentleman from New York [Mr. LAFALCE] is recognized for 5 minutes.

[Mr. LAFALCE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON THE BUDGET REGARDING CURRENT LEVELS OF SPENDING AND REVENUES REFLECTING ACTION COMPLETED AS OF MAY 17, 1996 FOR FISCAL YEARS 1996–2000

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

Mr. KASICH. Mr. Speaker, on behalf of the Committee on the Budget and pursuant to sections 302 and 311 of the Congressional Budget Act, I am submitting for printing in the CONGRESSIONAL RECORD an updated report on the current levels of on-budget spending and revenues for fiscal year 1996 and for the 5-year period fiscal year 1996 through fiscal year 2000.

This report is to be used in applying the fiscal year 1996 budget resolution (H. Con. Res. 67), for legislation having spending or revenue effects in fiscal years 1996 through 2000.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, May 22, 1995.

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

DEAR MR. SPEAKER: To facilitate application of sections 302 and 311 of the Congressional Budget Act, I am transmitting a status report on the current levels of on-budget spending and revenues for fiscal year 1996 and for the 5-year period fiscal year 1996 through fiscal year 2000.

The term ''current level'' refers to the amounts of spending and revenues estimated for each fiscal year based on laws enacted or awaiting the President's signature as of May 17, 1996.

The first table in the report compares the current level of total budget authority, outlays, and revenues with the aggregate levels set by H. Con. Res. 67, the concurrent resolution on the budget for fiscal year 1996. This comparison is needed to implement section 311(a) of the Budget Act, which creates a point of order against measures that would breach the budget resolution's aggregate levels. The table does not show budget authority and outlays for years after fiscal year 1996 because appropriations for those years have not yet been considered.

The second table compares the current levels of budget authority, outlays, and new entitlement authority of each direct spending committee with the ''section 602(a)'' allocations for discretionary action made under H. Con. Res. 67 for fiscal year 1996 and for fiscal years 1996 through 2000. ''Discretionary action'' refers to legislation enacted after adoption of the budget resolution. This comparison is needed to implement section 302(f) of the Budget Act, which creates a point of order against measures that would breach the section 602(a) discretionary action allocation of new budget authority or entitlement authority for the committee that reported the measure. It is also needed to implement section 311(b), which exempts committees that comply with their allocations from the point of order under section 311(a).

The third table compares the current levels of discretionary appropriations for fiscal year 1996 with the revised ''section 602(b)'' suballocations of discretionary budget authority and outlays among Appropriations subcommittees. This comparison is also needed to implement section 302(f) of the Budget Act, since the point of order under that section also applies to measures that would breach the applicable section 602(b) suballocation. The revised section 602(b) suballocations were filed by the Appropriations Committee on December 5, 1995.

Sincerely,

JOHN R. KASICH,
Chairman.

Enclosures.

REPORT TO THE SPEAKER FROM THE COMMITTEE ON THE BUDGET, STATUS OF THE FISCAL YEAR 1996 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 67

[Reflecting Action Completed as of May 17, 1996]

	On-budget amounts, in millions of dollars	
	Fiscal year 1996	Fiscal year 1996–2000
Appropriate Level: (as set by H. Con. Res. 67):		
Budget Authority	1,285,515	6,814,600
Outlays	1,288,160	6,749,200
Revenues	1,042,500	5,691,500
Current Level:		
Budget Authority	1,306,869	(NA)
Outlays	1,307,746	(NA)
Revenues	1,038,986	5,654,519
Current Level over(+)/under(−) Appropriate Level:		
Budget Authority	21,354	(NA)
Outlays	19,586	(NA)
Revenues	−3,514	−36,981

NA=Not applicable because annual appropriations Acts for Fiscal Years 1997 through 2000 will not be considered until future sessions of Congress.

BUDGET AUTHORITY

Enactment of measures providing any new budget authority for fiscal year 1996 (if not already included in the current level estimate) would cause fiscal year 1996 budget authority to exceed the appropriate level set by H. Con. Res. 67.

OUTLAYS

Enactment of measures providing any new budget or entitlement authority that would increase fiscal year 1996 outlays (if not already included in the current level estimate) would cause fiscal year 1996 outlays to exceed the appropriate level set by H. Con. Res. 67.

REVENUES

Enactment of any measure that would result in any revenue loss in either fiscal year 1996 or for the total for fiscal year 1996 through 2000 would increase the amount by which revenues are less than the recommended levels of revenue set by H. Con. Res. 67.

DIRECT SPENDING LEGISLATION—COMPARISON OF CURRENT LEVEL WITH COMMITTEE ALLOCATIONS PURSUANT TO BUDGET ACT SECTION 601(A) REFLECTING ACTION COMPLETED AS OF MAY 17, 1996

[Fiscal years, in millions of dollars]

	BA	1996 outlays	NEA	BA	1996–2000 outlays	NEA
House Committee						
Agriculture:						
Allocation	−992	−992	177	−8,477	−8,477	−2,164
Current Level	−330	−722	−758	−5,051	−5,406	−6,811
Difference	662	270	−935	3,426	3,071	−4,647
National Security:						
Allocation	−1,168	−1,168	382	1,733	1,733	1,467
Current Level	369	367	401	1,657	1,653	1,803
Difference	1,537	1,535	19	−76	−80	336

DIRECT SPENDING LEGISLATION—COMPARISON OF CURRENT LEVEL WITH COMMITTEE ALLOCATIONS PURSUANT TO BUDGET ACT SECTION 601(A) REFLECTING ACTION COMPLETED AS OF MAY 17, 1996—Continued

[Fiscal years, in millions of dollars]

	BA	1996 outlays	NEA	BA	1996–2000 outlays	NEA
Banking, Finance and Urban Affairs:						
Allocation	−481	−481	0	−1,698	−1,698	0
Current Level	3	3	0	(1)	(1)	0
Difference	484	484	0	1,698	1,698	0
Economic and Educational Opportunities:						
Allocation	−128	122	−2,015	−1,976	−1,534	−11,465
Current Level	0	0	0	0	0	0
Difference	128	−122	2,015	1,976	1,534	11,465
Commerce:						
Allocation	−555	−405	−3,619	−11,381	−11,480	−84,935
Current Level	0	0	0	6,303	6,303	6,297
Difference	555	405	3,619	17,684	17,783	91,232
International Relations:						
Allocation	−3	−3	0	−19	−19	−6
Current Level	0	0	0	0	0	0
Difference	3	3	0	19	19	6
Government Reform & Oversight:						
Allocation	−436	−436	−106	−2,903	−2,903	−2,729
Current Level	0	0	0	0	0	6
Difference	436	436	106	2,903	2,903	2,735
House Oversight:						
Allocation	0	0	0	0	0	0
Current Level	0	0	0	0	0	0
Difference	0	0	0	0	0	0
Resources:						
Allocation	−106	−104	0	−2,698	−2,693	0
Current Level	−18	−24	0	−141	−148	0
Difference	88	80	0	2,557	2,545	0
Judiciary:						
Allocation	0	0	0	−238	−238	0
Current Level	0	0	0	14	12	2
Difference	0	0	0	252	250	2
Transportation & Infrastructure:						
Allocation	−63	−63	0	92,844	−457	0
Current Level	0	0	0	0	−2	0
Difference	63	63	0	−92,844	455	0
Science:						
Allocation	0	0	0	0	0	0
Current Level	0	0	0	0	0	0
Difference	0	0	0	0	0	0
Small Business:						
Allocation	0	0	0	0	0	0
Current Level	0	0	0	0	0	0
Difference	0	0	0	0	0	0
Veterans' Affairs:						
Allocation	−79	−79	−195	−686	−686	−2,928
Current Level	0	0	−21	0	0	−106
Difference	79	79	174	686	686	2,822
Ways and Means:						
Allocation	−7,163	−7,615	−4,502	−192,899	−193,345	−82,895
Current Level	−18	−18	−139	−1,990	−1,990	−3,799
Difference	7,145	7,597	4,363	190,909	191,355	79,096
Unassigned:						
Allocation	306	306	0	4,892	4,892	0
Current Level	0	0	0	0	0	0
Difference	−306	−306	0	−4,892	−4,892	0
Total Authorized:						
Allocation	−10,868	−10,918	−9,878	−123,506	−216,905	−185,655
Current Level	6	−394	−517	792	422	−2,608
Difference	10,874	10,524	9,361	124,298	217,327	183,047

[1] = less than $500 thousand.

DISCRETIONARY APPROPRIATIONS FOR FISCAL YEAR 1996—COMPARISON OF CURRENT LEVEL WITH SUBALLOCATIONS PURSUANT TO BUDGET ACT SECTION 602(B)

[In millions of dollars]

	Revised 602(b) suballocations (December 5, 1995)				Current level reflecting action completed as of May 17, 1996				Difference			
	General purpose		Violent crime		General purpose		Violent crime		General purpose		Violent crime	
	BA	O	BA	O	BA	O	BA	O	BA	O	BA	O
Agriculture, Rural Development	13,325	13,608	0	0	13,310	13,577	0	0	15	31	0	0
Commerce, Justice, State	22,810	24,148	3,956	2,113	23,338	24,320	3,956	2,112	−528	−172	0	1
Defense	243,042	243,512	0	0	241,853	242,306	0	0	1,189	1,206	0	0
District of Columbia	727	727	0	0	712	712	0	0	15	15	0	0
Energy and Water Development	19,562	19,858	0	0	19,326	19,801	0	0	236	57	0	0
Foreign Operations	12,284	13,848	0	0	12,153	13,856	0	0	131	−8	0	0
Interior	12,213	13,174	0	0	12,122	13,047	0	0	91	127	0	0
Labor, HHS and Education	61,947	68,380	53	44	63,195	68,838	53	25	−1,248	−458	0	19
Legislative Branch	2,126	2,180	0	0	2,125	2,180	0	0	1	0	0	0
Military Construction	11,178	9,597	0	0	11,136	9,592	0	0	42	5	0	0
Transportation	12,500	36,754	0	0	11,705	36,751	0	0	795	3	0	0
Treasury-Postal Service	11,237	11,542	78	70	10,826	11,144	77	70	411	398	1	0
VA-HUD-Independent Agencies	61,686	74,440	0	0	62,349	74,480	0	0	−663	−40	0	0
Reserve	437	0	0	0	0	0	0	0	437	0	0	0
Grand Total	485,074	531,768	4,087	2,227	484,150	530,603	4,085	2,207	924	1,165	2	20

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 21, 1996.

Hon. JOHN KASICH,
Chairman, Committee on the Budget,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, this letter and supporting detail provide an up-to-date tabulation of the on-budget current levels of new budget authority, estimated outlays, and estimated revenues for fiscal year 1996. These estimates are compared to the appropriate levels for those items contained in the 1996 Concurrent Resolution on the Budget (H. Con. Res. 67), and are current through May 17, 1996. A summary of this tabulation follows:

[In millions of dollars]

	House current level	Budget resolution (H. Con. Res. 67)	Current level +/− resolution
Budge authority	1,306,869	1,285,515	+21,354
Outlays	1,307,746	1,288,160	+19,586
Revenues:			
1996	1,038,986	1,042,500	−3,514
1996–2000	5,654,519	5,691,500	−36,981

Since my last report, dated February 20, 1996, the Congress has cleared and the President has signed four short-term continuing resolutions (Public Laws 104–116, 104–118, 104–122, and 104–131), the Federal Agriculture Improvement and Reform Act of 1996 (P.L. 104–127), the Contract with America Advancement Act (P.L. 104–121), an act providing Tax Benefits for Members of the Armed Forces Performing Peacekeeping Services in Bosnia and Herzegovina, Croatia and Macedonia (P.L. 104–117), the Federal Tea Tasters Repeal Act of 1996 (P.L. 104–128), the Antiterrorism and Effective Death Penalty Act (P.L. 104–132) and the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (P.L. 104–134). The Federal payment to the District of Columbia and emergency funding for Bosnia and Herzegovina for economic revitalization were included in P.L. 104–122. These actions changed the current level of budget authority, outlays, and revenues.

Sincerely,

JUNE E. O'NEILL,
Director.

PARLIAMENTARIAN STATUS REPORT—104TH CONGRESS, 2ND SESSION, HOUSE ON-BUDGET SUPPORTING DETAIL, FOR FISCAL YEAR 1996, AS OF CLOSE OF BUSINESS MAY 17, 1996

[In millions of dollars]

	Budget authority	Outlays	Revenues
Enacted in Previous Sessions			
Revenues			1,039,122
Permanents and other spending legislation	830,272	798,924	
Appropriation legislation		242,052	
Offsetting receipts	−200,017	−200,017	
Total previously enacted	630,254	840,958	1,039,122
Enacted in First Session			
Appropriation bills:			
1995 Rescissions and Department of Defense Emergency Supplementals Act (P.L. 104–6)	−100	−885	
1995 Rescissions and Emergency Supplementals for Disaster Assistance Act (P.L. 104–19)	22	−3,149	
Agriculture (P.L. 104–37)	62,602	45,620	
Defense (P.L. 104–61)	243,301	163,223	
Energy and Water (P.L. 104–46)	19,336	11,502	
Legislative Branch (P.L. 104–53)	2,125	1,977	
Military Construction (P.L. 104–32)	11,177	3,110	
Transportation (P.L. 104–50)	12,682	11,899	
Treasury, Postal Service (P.L. 104–52)	23,026	20,530	
Offsetting receipts	−7,946	−7,946	
Authorization bills:			
Self-Employed Health Insurance Act (P.L. 104–7)	−18	−18	−101
Alaska Native Claims Settlement Act (P.L. 104–42)	1	1	
Fishermen's Protective Right Amendments of 1995 (P.L. 104–43)		(6)	
Perishable Agricultural Commodities Act Amendments of 1995 (P.L. 104–48)	1	(6)	1
Alaska Power Administration Sale Act (P.L. 104–58)	−20	−20	
ICC Termination Act (P.L. 104–88)			(6)
Total enacted first session	366,191	245,845	−100
Enacted in Second Session			
Appropriation bills:			
Ninth Continuing Resolution (P.L. 104–99)[1]	−1,111	−1,313	
Foreign Operations (P.L. 104–107)	12,104	5,936	
Offsetting receipts	−44	−44	
District of Columbia (P.L. 104–122)	712	712	
Omnibus Consolidated Rescissions and Appropriations Act of 1996 (P.L. 104–134)	330,746	246,113	
Offsetting receipts	−63,682	−55,154	
Authorization bills:			
Gloucester Marine Fisheries Act (P.L. 104–91)[2]	14,054	5,882	
Smithsonian Commemorative Coin Act (P.L. 104–96)	3	3	
Saddleback Mt. Arizona Settlement Act of 1995 (P.L. 104–102)		−7	
Telecommunications Act of 1996 (P.L. 104–104)[3]			
Farm Credit System Regulatory Relief Act (P.L. 104–105)	−1	−1	
National Defense Authorization Act, fiscal year 1996 (P.L. 104–106)	369	367	

PARLIAMENTARIAN STATUS REPORT—104TH CONGRESS, 2ND SESSION, HOUSE ON-BUDGET SUPPORTING DETAIL, FOR FISCAL YEAR 1996, AS OF CLOSE OF BUSINESS MAY 17, 1996—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
To award Congressional Gold Medal to Ruth and Billy Graham (P.L. 104–111)	(6)	(6)	
An Act Providing for Tax Benefits for Armed Forces in Bosnia, Herzegovina, Croatia, and Macedonia (P.L. 104–117)			−38
Agriculture Improvement and Reform Act (P.L. 104–127)	−330	−721	
Federal Tea Tasters Repeal Act of 1996 (P.L. 104–128)			(6)
Antiterrorism and Effective Death Penalty Act (P.L. 104–132)			2
Total enacted second session	292,820	201,774	−36
Appropriated Entitlements and Mandatories			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted[4]	17,604	19,168	
Total current level[5]	1,306,869	1,307,746	1,038,986
Total budget resolution	1,285,515	1,288,160	1,042,500
Amount remaining:			
Under budget resolution			3,514
Over budget resolution	21,354	19,586	

[1] P.L. 104–92 and P.L. 104–99 provide funding for specific appropriated accounts until September 30, 1996.

[2] This bill, also referred to as the seventh continuing resolution for 1996, provides funding until September 30, 1996, for specific appropriated accounts.

[3] The effects of this Act on budget authority, outlays and revenues begin in fiscal year 1997.

[4] Estimates include the effects of changes enacted this session in the following public laws: Veterans' Compensation Cost-of—Living Adjustment Act (P.L. 104–57), Contract with America Advance Act (P.L. 104–121), and the Agriculture Improvement and Reform Act (P.L. 104–127).

[5] In accordance with the Budget Enforcement Act, the total does not include $4,551 million in budget authority and $2,448 million in outlays for funding of emergencies that have been designated as such by the President and the Congress.

[6] Less than $500,000.

Note: Detail may not add due to rounding.

INDIAN EMBASSY CAUGHT RED-HANDED

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

Mr. BURTON of Indiana. Mr. Speaker, for many years I have talked about the horrible human rights violations that have been talking place around the world, but in particular in a place called Punjab in Kashmir and Nagaland in India. Because of that, I have been the target of people who support the Indian lobby in the United States.

At one time, my life was threatened, as well as that of my wife and my children, and they have supported my opponents in campaigns year in and year out. I understand that because I have been talking about the gang raping of women that has been taking place over there, the tortures of individuals who have been taken out of their homes in the middle of the night to be tortured to death never to be seen again, and the placing of about 1.1 million Indian troops in Punjab and Kashmir and Nagaland to repress those people up there because all they want is freedom, democracy and human rights.

But today, Mr. Speaker, I found out some additional things that need to be brought to the attention of my colleagues and the American people. I found out, Mr. Speaker, that the Indian Embassy has been caught red-handed violating America's national sovereignty and democratic values. Newspapers have reported that a Maryland political fundraiser named Lalit Gadhia confessed that the Embassy provided over $46,000, which he used to reimburse friends of associates for political contributions that he solicited.

These contributions went to pro-India Members of Congress and to a political action committee, the Indian American Leadership Investment Fund. India's violations of democratic principles have now come to the United States of America. The scheme was run by former Indian Ambassador S.S. Ray and Embassy official Devendra Singh. It is illegal for noncitizens to contribute to U.S. political campaigns or for anyone to make a contribution in another person's name. Yet this is not the first time that the Indian Embassy has been caught interfering in U.S. political campaigns.

Earlier this year, it came to light that former Ambassador Ray urged Indian Americans to support a candidate in the South Dakota senate race, and the Embassy sent out a letter attacking a member of this House who is running for senator in New Jersey.

Mr. Speaker, now they are infecting the American political process with foreign money. They must believe that America is corrupt. This interference leads one to believe that the Indian journalist Rajinder Puri of the Times of India was right when he described India as, ''A rotten, corrupt, repressive and antipeople system.''

The U.S. Government must make it clear that India's interference in American politics is unacceptable. I urge my colleagues to support H.R. 1425, which will cut off U.S. development aid to India until it respects human rights, and House Concurrent Resolution 32, which calls for self-determination for the Sikhs of Khalistan. These two measures will show the Indian Government that their disregard for human rights and democratic principles are not to be tolerated.

In addition, India illegally tried to influence congressional elections and that will not be tolerated as well. I hope that the new government of India will correct these practices and that India and the United States can begin to live together in mutual respect for freedom, democracy and human rights, and that the new government will respect the sovereignty of other nations and not be in fear in our elective process.

Mr. Speaker, I include for the RECORD the articles referred to earlier and a press release from the Council of Khalistan of the Gadhia case:

[From the Washington Times, May 9, 1996]

DEMOCRAT GUILTY OF LAUNDERING CONTRIBUTIONS

(By Mary Pemberton)

BALTIMORE.—A Democratic Party activist pleaded guilty yesterday to devising a scheme to funnel $46,000 in illegal contributions to a political action committee and several federal election campaigns.

Lalit H. Gadhia, 57, who had been Gov. Parris Glendening's campaign treasurer, pleaded guilty in federal court to one count of causing a false statement to be made to the Federal Election Commission, U.S. Attorney Lynne A. Battaglia said. He faces up to five years in prison and a $250,000 fine at sentencing Aug. 6.

None of the money in question went to the governor's campaign. But Maryland Republican Party Chairman Joyce Lyons Terhes said Gadhia's activities are indicative of the type of people Mr. Glendening surrounds himself with.

''I think it is one more example of the flawed administration of Glendening,'' she said.

But a state Democratic Party spokesman said it has nothing to do with Mr. Glendening and, if anything, reflects positively on the party.

''It is very unfortunate that he became overzealous, but the Clinton administration does not back off . . . even though this guy has been a strong supporter of Democrats,'' David Paulson said.

The FBI said Gadhia approached the Indian-American Leadership Fund in the fall of 1994 and persuaded the New Mexico PAC to contribute to candidates other than Indian-Americans, as long as he did the fund raising.

For three weeks in October 1994, Gadhia presented the PAC with checks totaling $34,900, which he said were contributions from a number of individuals. He also provided names, addresses and occupations for those individuals so that the PAC could file the required reports with the FEC.

The PAC, in return, made political contributions to federal candidates selected by Gadhia in the November elections.

For the most part, the money donated to the PAC did not come from the contributors, prosecutors, said. At least $31,400 of the funds provided to the PAC were laundered by individuals who issued checks to the Indian-American Leadership Fund and then were reimbursed in cash for their contributions by Gadhia or his intermediaries, according to the FBI.

Prosecutors said Gadhia used the same type of scheme to launder $15,000 in illegal contributions that he provided directly to a number of federal election campaigns.

U.S. CONCERN ON EMBASSY POLITICAL ROLE

(By Aziz Haniffa)

WASHINGTON.—Barely two weeks into his term after presenting his credentials to President Clinton, India's new Ambassador, Naresh Chandra, received a strong complaint from the Clinton Administration about its concern over the Indian Embassy's alleged interference in the American political process.

State Department officials said that Robin Raphel, Assistant Secretary of State for South Asian Affairs and the Administration's point person for the subcontinent, had called Chandra to raise the issue about the Justice Department's finding that an Indian diplomat at the embassy here was the source of thousand of dollars of illegal campaign contributions funneled through an Indian-American political action committee by a longtime Democratic Party activist.

On May 8, in a submission of a ''statement of facts'' filed in court as the basis for a guilty plea entered by Lalit H. Gadhia, 58, the office of the U.S. District Attorney in Baltimore, Maryland, said, ''The evidence indicates that the source of the cash used by Mr. Gadhia to finance the nominee contributions was Devendra Singh, an individual assigned to the Indian Embassy in Washington.'' Singh, who was Minister, Community Affairs, at the embassy from late 1990 to early 1995, returned to India to take up the position of Director-General of Police in Rajasthan.

State Department officials said that Raphel had called Chandra ''to express our strong concern about this allegation of an Indian Embassy official being involved'' in a money-laundering scheme to make campaign contributions to pro-India American lawmakers.

One official said that ''at this point, (the Raphel call to Chandra) this is about it,'' as far as any raising of the issue with the embassy is concerned. However, the official acknowledged that ''anything further will depend on what unfolds legally. So we'll have to see about that.''

State Department spokesman Nicholas Burns said the matter was ''a criminal case'' and that aspect would be handled by the Department of Justice. But he said, ''On the diplomatic side of this, the diplomatic aspect of it, we have contacted the Indian Embassy here in Washington and expressed our very strong concern about this particular case.'' The embassy spokesman, Shiv Shankar Mukherjee, declined comment on Raphel's call to Chandra and only reiterated his earlier statement that ''the Indian Embassy always has and continues to operate strictly within the basis of diplomatic propriety.''

On May 8, U.S. Attorney Lynne A. Battaglia, whose office prosecuted the case, told The Baltimore Sun, which first broke the story about this money-laundering plan, ''The fact that the money came from the Indian Embassy and that so many people were manipulated into participating in the scheme takes this case to a higher level than we normally see in these kinds of investigations.''

In an interview with India Abroad, she had said that ''we don't normally have crimes involving diplomats,'' and acknowledged that as far as she could remember, such a case of a diplomat trying to circumvent U.S. election laws was unprecedented.

The State Department official said that if Singh had remained in Washington as an embassy official, even though he would have enjoyed diplomatic immunity, ''it would have raised other issues about his status in the country and things like that,'' that could have resulted in the U.S. calling for his expulsion.

''But as things stand right now,'' the official said, Raphel's strong expression of concern was the extent of the State Department's action in the case, which had been referred to it by the Justice Department.

Raphel's call to Chandra expressing the Administration's strong concern comes close on the heels of the State Department in March informing a senior member of Congress that the Indian Embassy had given assurances that it was not interfering in America's political process.

In a letter to India's most acerbic critic in Congress, Rep. Dan Burton, Republican of Indiana, Barbara Larkin, acting Assistant Secretary for Legislative Affairs, said, ''We have raised the episodes you mention and have been reassured of India's commitment to noninterference in the domestic political affairs on any state.''

On Feb. 13, Burton, a member of the House International Relations Committee, wrote to Secretary of State Warren Christopher complaining of a ''series of actions taken by the Embassy of India, which I believe clearly constitute inappropriate involvement in domestic U.S. politics.'' He urged Christopher, at his ''earliest opportunity,'' to protest ''this breach of protocol with the Indian government.''

First, he said, ''Ambassador Siddhartha Shankar Ray openly and actively endorsed Senator Larry Pressler's bid for re-election in South Dakota'' in a December speech to the Indian-American Forum for Political Education in Boston. Ray told the audience to ''please make sure Larry Pressler (Republican from South Dakota) goes to the Senate again,'' Burton said.

Second, he reported, the embassy has ''actively sought to intervene in the current Senate race in New Jersey.'' Burton said the deputy chief of mission, Shyamala Cowsik, had circulated a letter to the Indian-American community criticizing Democratic Representative Robert Torricelli for his ''record'' in attacking alleged human rights abuses in India. Cowsik's letter, Burton contended, ''not so subtly notes that Torricelli is running for the Senate this year,'' and added, ''It can only be assumed that these instances of political interference that have come to light point to a broader pattern of political involvement.''

Torricelli is running for the Senate seat being vacated by the retiring Democratic Senator Bill Bradley. He has co-sponsored legislation by Burton calling for the suspension of American development aid to India unless it alleviates rights conditions.

In his letter to Christopher, Burton insisted that he was ''not writing out of partisan considerations,'' and noted that, as a Republican, the embassy's actions were intended to benefit Republican candidates in both races.

''There is a larger principal at stake,'' he declared. ''It is a serious violation of diplomatic protocol for an ambassador to attempt to influence or intervene in domestic political contests. The voters of New Jersey and South Dakota should have the opportunity to make up their own minds without foreign interference.''

He said that had the American Ambassador to India attempted ''to sway an election, there would be howls to protest.''

In her reply to Burton, Larkin said the State Department appreciated ''the nonpartisan nature of your concern.''

EX-ENVOY DENIES U.S. CAMPAIGN TIE

(By P.B. Chandra)

JAIPUR.—Devendra Singh, a former senior diplomat of the Indian Embassy in Washington, has denied his involvement in the illegal campaign contributions funneled through the Indian American Political Action Committee (PAC).

Singh is currently the Director-General of Police of Rajasthan. He served as a Minister, Community Affairs in the Indian mission from 1990 to 1995 before returning to India.

Singh told ''India Abroad'' he did not give any money to Lalit H. Gadhia, a longtime Democratic party activist, in illegal campaign contributions. Reacting to media reports that Gadhia had pleaded guilty to illegally raising the funds and named Singh as the diplomat who gave Gadhia the money, Singh said his job as Minister, Community Affairs demanded that he should meet various people but he never paid any amount to anyone for financing any candidate's election. Singh was the security officer of late Prime Minister Rajiv Gandhi before being transferred to the Washington mission.

When asked about an air freight receipt and copy of the report sent by Gadhia to him and which was subsequently seized by U.S. Federal Bureau of Investigation agents in Gadhia's office, Singh said he knew nothing about the air freight receipt and reports. When Singh was asked whether he could be called to court to give evidence against Gadhia, he said the case related to the period when he enjoyed complete diplomatic immunity.

When asked whether it was true that Gadhia has implicated him while making the

guilty plea in the court, Singh said that in all such cases the Indian mission was answerable. Singh said then Indian Ambassador Siddhartha Siddhartha Shankar Ray had clarified the Indian mission's viewpoint and there was nothing much left to be added to that.

INDIAN EMBASSY CAUGHT RED-HANDED—FUND RAISER ADMITS ILLEGALLY LAUNDERING POLITICAL CONTRIBUTIONS

WASHINGTON, D.C., May 14—Lalit H. Gadhia, a major political fundraiser in Maryland, has confessed that he laundered over $46,000 in political contributions from the Indian Embassy to Members of Congress, Thursday's Baltimore Sun reported. Gadhia, 57, former campaign treasurer for Maryland Governor Parris Glendening and a Baltimore immigration lawyer, confessed to the scheme in the U.S. District Court in Baltimore, according to the report.

Under the plan, Gadhia used money provided by the Indian Embassy here to reimburse Indian Americans and Indians living in the United States for contributions they made to the candidates the Embassy supported. According to the report, the Embassy, through Gadhia, illegally gave $31,400 to the Indian American Leadership Investment Fund, a Los Angeles-based political action committee, which then distributed it to candidates. It is illegal for noncitizens to contribute to U.S. political campaigns or for anyone to make a contribution in another person's name.

The Embassy officials in charge of the scheme, former Ambassador S.S. Ray and former Embassy staffer Devendra Singh, have both returned to India. Mr. Ray was a losing candidate for Parliament in the recent elections and Mr. Singh holds a high-ranking position with the Rajasthan state police. On February 19, 1995, Indian Foreign Minister R.L. Bhatia said at a press conference that ''there is a strong anti-India lobby in the United States. We are spending large sums of money through Ambassador Ray to neutralize it.'' During the time that Mr. Ray was Governor of Punjab. Sikhs spoke of ''the three Rs—Ray, Ribeiro, and Rajiv''—a very repressive trio. Julian Ribeiro was Director General of Police at the time. He and Mr. Ray are responsible for instituting the tactic of the fake ''encounter'' in Punjab. In a fake encounter, a Sikh will be killed by the police or while in custody, then they will report that he died in an ''encounter,'' thus providing cover for the killing.

Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, the government in exile of Khalistan, confronted Mr. Ray in the hall of the Longworth House Office Building, calling him ''the Butcher of Punjab.'' The confrontation was picked up by the media. Mr. Ray returned to India shortly after that confrontation. The new ambassador, Naresh Chandra, brought his brother, Girish Chandra Saxena, to the Embassy with him. Girish Saxena is a former head of India's Research and Analysis Wing (RAW), which infiltrated Sikh militant organizations before the ''Operation Bluestar'' attack on the Golden Temple and 38 other Sikh temples throughout Punjab, Khalistan, in June 1984 in which over 20,000 Sikhs were killed. Ambassador Chandra himself has recently been implicated in illegal smuggling of CFCs from India to the United States. CFCs have been banned in the United States since January 1. According to the Customs Service, CFCs are now the number two problem after illegal drugs.

''Mr. Gadhia's confession shows the moral bankruptcy of the Indian regime,'' said Dr. Aulakh. ''India has been murdering Sikhs and other minorities for many years. The recent payoff scandal that helped to bring down the Congress Party showed the world that in addition to being a brutal tyranny, India is corrupt and its claim to be a 'democracy' is hollow. This money-laundering campaign contribution scheme shows India's total disregard for democratic principles in other countries as well,'' Dr. Aulakh said. ''Obviously, the regime believes that everyone is as corrupt as they are,'' he stated. ''These practices are unacceptable, and I hope that Mr. Gadhia's confession will not be the end of the investigation. The Embassy is deeply involved in this scheme, and its involvement should be exposed and punished.''

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

[Mr. RIGGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

THE MINIMUM WAGE

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

Mr. WISE. Mr. Speaker, I rise to speak in support of why I supported the increase of the minimum wage from $4.25 an hour to $5.15 an hour.

One of the basic reasons I supported raising the minimum wage in this house today was, there are about 112,000 reasons: The 112,000 payroll positions in West Virginia that will see a wage increase because of this vote, roughly 17 percent of our work force.

Mr. Speaker, this is important because it means it boosts their level of income. It makes them consumers. It makes them participants. The minimum wage has not been raised since 1991 when it finally reached $4.25 an hour. Moses wandered in the wilderness for 40 years. The minimum wage is at an all-time buying low, 40-year buying low, and it is time that it be raised. In fact, Mr. Speaker, it was just a few years ago that in the 1950's, 1960's and early 1970's that the minimum wage was designed to be about one-half of the average manufacturing wage. Today it is somewhere around one-third of that amount.

So the minimum wage has steadily dropped, and I know, Mr. Speaker, we have heard the arguments about how much it is a job killer and less people will be hired. The studies do not seem to indicate that. But let me also suggest that we have heard that argument every time since the 1930's when the minimum wage was first raised. Time after time that has been trotted out. Abut 8½ million jobs have been created in the past 3½ years. So the minimum wage is certainly not a factor in job retardation.

Indeed, most of the jobs we are hoping to create are not minimum wage jobs. But for those people who have to work at 40 hours a week, trying to get by doing exactly what society asks them to do, I think it is not too much to ask for a minimum wage increase. Indeed, Mr. Speaker, I recall that when I was working my way through college, as a bunch of people in this country have done, I worked at minimum wage, and I remember that the only collective bargaining agent I ever had when I worked in that hospital carrying bed pans, and when I did other work along that line, the only collective bargaining agent I ever had was the Federal Government when it raised the minimum wage. That is the only way I was going to see a wage increase, and it was the only way that millions of others were.

Mr. Speaker, there were amendments that would have greatly stripped the minimum wage coverage. One of the amendments, the Goodling amendment, while it would have raised the minimum wage, would have also removed 10 million people from possible coverage by the minimum wage. That certainly would not have been much of a victory. We could have celebrated the seven people left who could still qualify for an increased minimum wage.

Mr. Speaker, just a few days ago, this House passed legislation to repeal the gas tax for 7 months, a 4.3-cent-a-gallon gasoline tax for 7 months. Well, Mr. Speaker, I think it ironic that that action takes place. We were able to pass the gasoline tax suspension for 7 months. That, incidentally, gets you through the election. I guess that is to enable people to get gasoline to drive to the polls.

The minimum wage increase is a real measure. It puts money into people's pockets. It gives them far more than the gasoline tax repeal for 7 months ever would have given them. It gives them an increase over a 2-year period to $5.15, or 90 cents an hour. It is what permits that person to recognize some fruits of their labor.

We are asking a lot of people in welfare reform to get off of welfare, as they should, to go to work. What Kind of reward is there if you do not get a pay increase since 1991? I might add, I went to the supermarket the other night. Nobody stopped the food prices from increasing. Gasoline prices have been increasing. Everything else has been increasing since 1991. But wages of people who do a lot of the basic work in this country have not.

So my hope is that this can be the first step in improving the working conditions of a lot of middle-income working people in our country. No, this is not the only step. There is a lot that needs to be done to grow jobs. There is a lot that must be done in education. There is a lot that must be done building the public works, the roads, the bridges, the water and the sewer systems, the industrial parks. But making sure that people are paid a fair and adequate wage, raising the minimum wage for the first time in 5 years, raising it from the lowest point in 40 years in terms of buying power that it has had, I think that is a significant accomplishment.

So I am glad that on a bipartisan basis we were finally able to fight to bring this minimum wage bill to the floor, to get it on the floor, to defeat the crippling amendments that would have removed much of the coverage of the minimum wage, and to pass it on the House floor.

It goes now to the Senate. My hope is that there it will move equally as quickly, and then to the President for his signature.

Mr. Speaker, it is a good day that the minimum wage finally looks like it may be increased this year.

RESIDENTS OF THE DISTRICT OF COLUMBIA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, I recognize that the day has been much devoted to a discussion of the minimum wage. This member is trying her best to make certain that more than minimum wage residents continue to live in the District. I have just come back from the other body, where Senator CONNIE MACK, the chairman of the Joint Economic Committee, has just introduced the DC Economic Recovery Act on the Senate side, the bill I introduced on April 15 on the House side, in order to give a tax reduction to the residents of the District of Columbia, who are fleeing in awesome numbers.

The District does not have a State, so any tax incentive—tax cut will have to come from this body. The alternative to a tax cut to help to keep middle-income residents in the city is annual increases of a very significant magnitude in the Federal payment. The reason that would be necessary is that the Constitution requires the Congress of the United States to maintain the Capital of the United States. For over 200 years, it is the residents of the Capital of the United States who have maintained the capital, but their flight in great numbers and the insolvency of the city put the capital of the United States at risk.

No one can doubt that this is the case if you look at the chart before us. The tax base is already gone. Eighty-three percent of tax filers have an income of less than $50,000. To quote Senator MACK:

> Washington's situation is desperate. Middle-income residents have been fleeing the city in startling numbers.

Senator MACK was not alone in introducing this bill. Senator JOSEPH LIEBERMAN, a Democrat, became the cosponsor today, as well, and both spoke at this press conference. What I did not know until I walked into the press conference was that yet another Senator had on this very first day of the introduction of the bill come on, Senator SPENCER ABRAHAM.

Mr. Speaker, I sent my ''dear colleague'' letters out yesterday to Members of the House, and I am pleased to say that they are beginning to come on. Mr. ARMEY has become a cosponsor today, and I am very grateful for that. The Chairs of both caucuses, Republican and Democrat in this House, support the bill.

Why is there such support for this bill? In large part, it is because the District is trying to do it the old fashioned way. This tax break will not come to the Government of the District of Columbia but to the residents, who with their own money, will revive their own city.

The District is the only city in the United States that pays for State, county and municipal functions. When it was a city of 800,000 people, as it was when I was a kid growing up in this town, it could do that. Now it is a town of half a million people, and it simply cannot pay for Medicare, cannot pay for a State prison, cannot pay for a State university all by itself.

The District is the only city in the United States that is barred by the Congress of the United States from enacting a commuter tax, so all the commuters come here, use the services my residents provide and do not leave one thin dime.

The District is the only jurisdiction that flies the American flag, where Federal income taxes are paid by the residents, but they have no voting representation in the House or in the Senate. That, my friends, I am sure you will agree, is un-American.

□ 1615

We would still pay Federal income taxes under my bill, but we would not be second per capita in Federal income taxes, as we are today. When you join our local taxes with our Federal taxes, the residents of the District of Columbia are the highest taxed residents in the United States.

The District does not say ''Give me some more money.'' The District says, the House and the Senate, the Democrats and the Republicans, yes, and the administration, all have their versions of tax cuts. If taxes are to be cut, let the cutting start in the capital of the United States, which does not have full representation, and therefore is taxed without representation, in the capital of the United States, which is spiralling downward, and needs to give people an incentive to remain in this beautiful city.

This will not be the capital we are all proud of if we let it continue to go down. Please sign on to the DC Economic Recovery Act, as three Senators have today.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 60. Concurrent resolution providing for a conditional adjournment or recess of the Senate and the House of Representatives.

The message also announced that pursuant to Public Law 104–52, as amended by Public Law 104–134, the Chair, on behalf of the majority leader, appoints the Senator from Iowa, Mr. GRASSLEY; David L. Keating, of Maryland; J. Fred Kubik, of Kansas; and Mark L. McConaghy, of Washington, D.C., to the National Commission on Restructuring the Internal Revenue Service.

The message also announced that pursuant to Public Law 104–52, as amended by Public Law 104–134, the Chair, on behalf of the Democratic leader, appoints the Senator from Nebraska, Mr. KERREY; and Fred T. Goldberg, Jr., of Missouri, to the National Commission on Restructuring the Internal Revenue Service.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Transportation and Infrastructure, which was read and, without objection, referred to the Committee on Appropriations.

HOUSE OF REPRESENTATIVES, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC, May 13, 1996.

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

DEAR SPEAKER GINGRICH: Pursuant to the provisions of the Public Buildings Act of 1959, I am transmitting resolutions approved by the Committee on Transportation and Infrastructure on May 9, 1996.

With kind personal regards, I remain
Sincerely,

BUD SHUSTER,
Chairman.

There was no objection.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Transportation and Infrastructure, which was read and, without objection, referred to the Committee on Appropriations.

HOUSE OF REPRESENTATIVES, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC, May 13, 1996.

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

DEAR MR. SPEAKER: Enclosed are copies of resolutions adopted on March 7, 1996 and May 9, 1996 by the Committee on Transportation and Infrastructure. A copy of the resolutions are being transmitted to the Department of the Army.

With kind personal regards, I remain
Sincerely,

BUD SHUSTER,
Chairman.

There was no objection.

RETIREMENT SAVINGS AND SECURITY ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–221)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means, the Committee on Economic and Educational Opportunities, the Committee on Government Reform and Oversight, and the Committee on Transportation and Infrastructure and ordered to be printed.

To the Congress of the United States:

I am pleased to transmit today for the consideration of the Congress the ''Retirement Savings and Security Act.'' This legislation is designed to empower all Americans to save for their retirement by expanding pension coverage, increasing portability, and enhancing security. By using both employer and individual tax-advantaged retirement savings programs, Americans can benefit from the opportunities of our changing economy while assuring themselves and their families greater security for the future. A general explanation of the act accompanies this transmittal.

Today, over 58 million American public and private sector workers are covered by employer-sponsored pension or retirement savings plans. Millions more have been able to save through Individual Retirement Accounts (IRAs). The Retirement Savings and Security Act would help expand pensions to the over 51 million American private-sector workers—including over three-quarters of the workers in small businesses—who are not covered by an employer-sponsored pension or retirement savings program and need both the opportunity and encouragement to start saving. Women particularly need this expanded coverage: fewer than one-third of all women retirees who are 55 or older receive pension benefits, compared with 55 percent of male retirees.

The act would also help the many workers who participate in pension plans to continue to save when they change jobs. It would reassure all workers who save through employer-sponsored plans that the money they have saved, as well as that put aside by employers on their behalf, will be there when they need it.

The Retirement Savings and Security Act would:

—Establish a simple new small business 401(k)-type plan—the National Employee Savings Trust (NEST)—and simplify complex pension laws. The NEST is specifically designed to ensure participation by low- and moderate-wage workers, who will be able to save up to $5,000 per year tax-deferred, plus receive employer contributions toward retirement. The act would encourage employers of all sizes to cover employees under retirement plans, and it would enable employers to put more money into benefits and less into paying lawyers, accountants, consultants, and actuaries.

—Increase the ability of workers to save for retirement from their first day on the job by removing barriers to pension portability. In particular, employers would be encouraged no longer to require a 1-year wait before employees can contribute to their pension plans. The Federal Government would set the example for other employers by allowing its new employees to begin saving through the Thrift Savings Plan when they are hired, rather than having to wait up to a year. In addition, the Act would reduce from 10 to 5 years the time those participating in multiemployer plans—union plans where workers move from job to job—must work to receive vested benefits. It would also help ensure that returning veterans retain pension benefits and that workers receive their retirement savings even when a previous employer is no longer in existence.

—Expand eligibility for tax-deductible IRAs to 20 million more families. In addition, the Act would encourage savings by making the use of IRAs more flexible by allowing penalty-free withdrawals for education and training, purchase of a first home, catastrophic medical expenses, and long-term unemployment. It would also provide an additional IRA option that provides tax-free distributions instead of tax-deductible contributions.

—Enhance pension security by protecting the savings of millions of State and local workers from their employer's bankruptcy, as happened in Orange County, California. The Act would (1) require prompt reporting by plan administrators and accountants of any serious and egregious misuse of funds; (2) double the guaranteed benefit for participants in multiemployer plans in the unlikely event such a plan becomes insolvent; and (3) enhance benefits of a surviving spouse and dependents under the Civil Service Retirement System and the Railroad Retirement System.

—Ensure that pension raiding, such as that which drained $20 billion out of retirement funds in the 1980s, never happens again—by retaining the strong current laws preventing such abuses and by requiring periodic reports on reversions by the Secretary of Labor.

Many of the provisions of the Retirement Savings and Security Act are new. In particular, provisions facilitating saving from the first day on the job, in both the private sector and the Federal Government; the doubling of the multi-employer guarantee; and improving benefits for surviving spouses and dependents of participants in the Civil Service Retirement System and the Railroad Retirement System deserve special consideration by the Congress. In addition, many of the provisions and concepts in this Act have been previously proposed by this Administration and have broad bipartisan support.

American workers deserve pension security—as well as a decent wage, lifelong access to high quality education and training, and health security—to take advantage of the opportunities of our growing economy.

I urge the prompt and favorable consideration of this legislative proposal by the Congress.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 23, 1996.*

PROVIDING FOR CONDITIONAL ADJOURNMENT OR RECESS OF SENATE AND HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore laid before the House the following privileged Senate concurrent resolution (S. Con. Res. 60) providing for a conditional adjournment or recess of the Senate and the House of Representatives.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 60

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Thursday, May 23, 1996, Friday, May 24, 1996, or Saturday, May 25, 1996, pursuant to a motion made by the Majority Leader or his designee, in accordance with this resolution, it stand recessed or adjourned until noon on Monday, June 3, 1996, or Tuesday, June 4, 1996, or until such time on that day as may be specified by the Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House of Representatives adjourns on the legislative day of Thursday, May 23, 1996, it stand adjourned until 2:00 p.m. on Wednesday, May 29, 1996, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and Minority Leader of the House, shall notify the Members of the Senate and the House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

TURKISH STUDIES PROGRAM

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

Mr. PALLONE. Mr. Speaker, I rise today to express my serious concern about what I consider a troubling case of the manipulation of historical fact under the guise of academic integrity. This is happening at a university in my

own State, Princeton University, an Ivy League university and one of the leading institutions of higher learning in the Nation and in the world.

As the New York Times reported yesterday, Princeton accepted $750,000 from the Government of Turkey to endow a new Attaturk Chair of Turkish Studies in the Department of Near Eastern Studies and hired a professor, Heath W. Lowry, who worked for the Turkish Government as executive director of the Washington-based Institute of Turkish Studies. Professor Lowry has written and spoken extensively, questioning whether or not the Armenian genocide committed by the Turkish Ottoman Empire between the years 1915 and 1923 actually occurred.

Mr. Speaker, last month, on April 24, more than 40 Members of this body from both sides of the aisle took part in a series of special orders commemorating the 81st anniversary of the unleashing of this genocide against the Armenian people. It was planned and executed in the name of Turkish nationalism in the final years of the Ottoman Empire. Eventually, 1.5 million Armenian men, women, and children were murdered in this first, though sadly not the last, genocide in the 20th century. Although the word ''genocide'' had not yet been coined, genocide is what happened. It is a great and noble effort for this Congress to recognize that the genocide occurred. I will be working with my colleagues from both sides of the aisle to enact a resolution officially recognizing the historic fact that the genocide occurred and urging Turkey, the recipient of millions of dollars in United States assistance, to finally end its deceitful policy of denying that the genocide ever took place.

While remembering the Armenian genocide is important in its own right from the standpoint of honoring the victims and providing future generations with an important example of what can happen when ethnic hatred goes unchallenged, one of the most important reasons for commemorating the genocide is to challenge the efforts of those who deny that it occurred.

Now we see this genocide denial has been given a platform at one of our most prestigious universities. Professor Lowry, who is recognized as one of the leading specialists in Turkish studies, does not necessarily deny that many Armenian people suffered and died during that period of time, but he claims that the word ''genocide'' is not the most accurate word to describe this tragedy. Coincidentally, this has been the line put out by the Turkish Government and its apologists.

The Turkish spin that has been put on the genocide is disputed by a large volume of documented evidence, much of it collected by American diplomats and journalists on the scene. There is also the testimony of the survivors. There was, in conjunction with the physical destruction of the Armenian people, the effort to erase all traces of the Armenian presence in the areas now in Eastern Turkey by changing geographic names and destroying Armenian religious and cultural monuments. This was not a random violence, Mr. Speaker, but a concerted program to eliminate the Armenian people and culture. It was, as we now use the term, ''a genocide.''

While Professor Lowry and others have the freedom to publish, obviously, what they like, I question whether it sets a good precedent for a major university to accept funding from a foreign government to essentially promote its propaganda. Many scholars agree, and have sharply criticized Princeton because that is exactly what is happening. I would hope that Princeton would seriously reconsider taking money from the Government of Turkey for this purpose or, at a minimum, would somehow build into its program certain safeguards to prevent the Turkish Government influence over essentially what the professor or others might say.

Mr. Speaker, I know that this is just one example, if you will, of how the Turkish Government tries to influence what goes on in this country, not only here in Congress, but also through our institutions of higher education, but I think it is terribly important that Princeton University and other universities like it do not continue to let their academic programs be influenced because of the money that is being donated, in this case by Turkey, or other foreign governments.

Mr. Speaker, I would like, if I could, to include the article that was in the New York Times on Wednesday, May 22, entitled ''Princeton Is Accused of Fronting for the Turkish Government.''

(By William H. Honan)

A group of prominent scholars and writers contends that Princeton University is allowing itself to be used by the Turkish Government as a center for propaganda about Turkey's role in the massacre of a million Armenians during World War I.

Three years ago, the university accepted $750,000 from the Government of Turkey to endow a new Ataturk Chair of Turkish Studies in the Department of Near Eastern Studies and hired a professor, Heath W. Lowry, who had worked for the Turkish Government, as executive director of the Washington-based Institute of Turkish Studies.

Peter Balakian, a professor of English at Colgate University who has helped organize recent protests against the appointment, characterized Professor Lowry's scholarship as ''evil euphemistic evasion'' and charged that his appointment at Princeton was an instance of a foreign government buying credibility for its propaganda by endowing a chair at an American university and influencing the choice of who fills the post.

Princeton has defended the appointment of Professor Lowry through a terse statement by Amy Gutmann, the dean of the faculty, declaring that the university ''does not permit donors of chairs to influence the outcome of its appointment process.''

Debates on responsibility for the Armenian massacres in 1915 and 1916 have gone on for years, and have accelerated recently with the rising interest in Holocaust studies. The Turks and a handful of American scholars, among them Professor Lowry, contend that the Armenian deaths were the unintended result of wartime deprivation, while the Armenians and many more American scholars consider it genocide centrally planned by the Ottoman Turks.

The attacks on Princeton erupted last year with a critical article in the academic journal Holocaust and Genocide Studies by the scholar Robert Jay Lifton. In February, a group of 100 scholars and writers published a denunciation of the Turkish Government and Professor Lowry in The Chronicle of Higher Education, a weekly journal; the signers included Alfred Kazin, Norman Mailer, Arthur Miller, Joyce Carol Oates, Susan Sontag, William Styron, David Riesman and John Updike. And a group of nearly 200 Armenian-Americans held a protest meeting last Wednesday night at the Princeton Club in New York City.

For his part, Professor Lowry says his skepticism about whether the deaths were centrally planned simply reflects adherence to scholarly rules of evidence.

''The Turkish Government is just as unhappy with a lot of my work as are some of the Armenians who attack me,'' he said. ''I have never denied the terrible suffering and deaths of hundreds of thousands of Armenians during the First World War. But I object to the use of the word genocide until the relevant records are located, studied and have proved that genocide is in fact the most accurate term to describe this tragedy.''

The furor over the appointment was prompted by an odd incident involving Professor Lifton, who teaches at the John Jay College of Criminal Justice in Manhattan. In October 1990, the Turkish Ambassador to the United States, Nuzhet Kandemir, wrote to Professor Lifton, upbraiding him for referring in his latest book to the ''so-called'' 'Armenian genocide.' ''

Professor Lifton was not surprised by the attack, but he was by a puzzling enclosure with the letter. It was a memo from Professor Lowry to the Ambassador that showed Professor Lowry had drafted the official Turkish Government protest to the Lifton book.

The memo said Professor Lowry was writing to Ambassador Kandemir ''with an eye to drafting a letter for your signature to the author.''

In the Holocaust and Genocide Studies article last year, Professor Lifton revealed the memo and branded Professor Lowry as an apologist for the Turkish Government.

In a recent interview, Professor Lowry acknowledged that his memo to Ambassador Kandemir was a mistake. ''I was not a professor at Princeton when I wrote that,'' he said. ''Looking back from where I am today, I goofed.''

Professor Lowry, 53, received a Ph.D. in Turkish studies from the University of California, Los Angeles in 1977. In 1985, he was one of 69 specialists in Turkish studies who signed a petition urging that a House of Representatives resolution condemning the crime of genocide should not include the Armenian massacres. These crimes, the petition stated, were the result of ''intercommunal warfare'' complicated by ''disease, famine, suffering and massacres.''

''In my opinion,'' he said in an interview, ''it was a total breakdown in civil authority on the part of a young, revolutionary government fighting a world war simultaneously on a number of fronts. That government's decision to relocate its Armenian citizenry into north Syria created a situation in which the deportees were subjected to attacks by marauding Kurdish tribesmen, starvation and the ravages of cholera and typhus epidemics.''

The current scholarly debate over the Armenian deaths focuses on three principal sources of evidence: the memoirs of Henry Morgenthau, who was the United States Ambassador to Turkey from 1913 to 1916; a remark that Hitler reportedly made in 1939, and cable traffic and other messages from German diplomats stationed in Turkey during World War I.

Vahakn N. Dadrian, a sociologist who wrote ''The History of the Armenian Genocide'' (Berghahn Books, Providence, 1995), said that Ambassador Morganthau's memoirs—published in 1918—provided ''conclusive proof'' that the Turks committed genocide.

''Morgenthau reported that when he complained to top Turkish leaders about reports that women, children and old people were being marched into the desert to be killed,'' Professor Dadrian said, ''he was told: 'We can't make distinctions. Those who are not guilty today will oppose us in the future.'''

But Professor Lowry counters that official records he discovered show that Robert Lansing, the Secretary of State then, rewrote parts of the memoirs, and that the book—long considered a standard in the annals of diplomatic history—is filled with ''outright lies and half-truths''. His findings were published in 1990 by an academic press in Istanbul.

The remark by Hitler is another matter of contention among scholars. He is reported to have said in a private meeting with SS chiefs at Obersalzberg, on the eve of the invasion of Poland: ''Be merciless in exterminating Polish men, women and children. Who, after all, speaks today of the annihilation of the Armenians?''

Professor Lifton said the quotation not only confirms the genocide of the Armenians but indicates that ''if you don't confront genocide, the next group inclined toward it can see itself as carrying out the genocide with impunity.''

Professor Lowry said he believes the Hitler quote is probably apocryphal and has been used to establish a false link between the tragic history of the Turkish Armenians and the Holocaust a generation later.

''The Nuremberg War Crimes Tribunal discarded this version of Hitler's speech and relied instead on a version which does not contain any reference to the Armenians,'' he said.

The third source of evidence, German diplomatic traffic reporting the Armenian massacres, is considered particularly important by scholars, because Turkey was a German ally in the World War I and because in their confidential reports to Berlin, the German diplomats had no discernible reason to falsify what they saw.

Roger W. Smith, a professor of government at the College of William and Mary in Williamsburg, Va., who specializes in genocide studies, said the German cable traffic proves that the deaths were genocide.

In an interview, he said, ''Hans Wangenhelm, the German Ambassador to Turkey, reported to Berlin in July 1915 that the Turkish Government 'is really pursuing the aim of destroying the Armenian race.'''

Professor Lowry said he still needed to be persuaded. ''If this material and newly available archives from Russia, the Ottoman Empire and the various Armenian revolutionary organizations, points to genocide as an accurate description of what actually took place,'' he said, ''I'll be the first to use the word.''

NO BRIDGE TOO FAR

Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. DORNAN] is recognized for 30 minutes as the designee of the majority leader.

Mr. DORNAN. Mr. Speaker, I signed up for 60 minutes, but my colleague from the beautiful adjoining Southern California district to the south, which has some of the most beautiful surf in the Nation, I am landlocked, Mr. DANA ROHRABACHER, will follow me. I gladly gave him 30 minutes of my time. He has some very important things upon which he will report to his district, the Nation, the Members of this House, all through you, Mr. Speaker.

Mr. Speaker, I just left Speaker NEWT GINGRICH's office, and he told us earlier that if he got 235 signatures on a letter to Mr. Clinton asking him in the name of duty, honor and country, to remove from his legal pleadings to get out of giving Paula Corbin Jones, the young lady who is claiming sexual harassment, alleging a case of something beyond sexual harassment, at the high end of it, that category where it is a crime, that he not have to give her her day in court, that he not appear in court, because, among many other frivolous reasons, that he should be considered an active duty military officer as the Commander-in-Chief of the Armed Forces of the United States.

He refers to a not obscure, but not often used, act of this Congress in 1940, and it is called the Soldiers and Sailors Relief Act of 1940, and that is what he is claiming through his lawyer, Bob Bennett, that is a Republican activist and good friend of mine, Bill Bennett's older brother, that Bob Bennett, the principal lawyer on what some people in the press are calling Clinton's dream team, hoping for the same impossible outcome as killer O.J. Simpson got, that they are claiming this 1940 act.

Back to Speaker GINGRICH. He said you get 236, of course I will be on there, make it unanimous. Well, the gentleman from Arizona, Mr. BOB STUMP, who is the point man on this, I am flying tight wing on World War II veteran BOB STUMP, combat veteran, so this Korean peacetime fighter pilot is right there with him, and in two days we got all 235 signatures. I just left NEWT GINGRICH's office. He is 236. We picked up a couple of veterans on the Democrat side of the aisle, and we are off and running with 238 signatures.

I will read the letter, in a moment when it arrives, to the President, or the press release. The letter will be finally constructed tomorrow, delivered to the White House tomorrow afternoon, on this Memorial Day weekend, asking Mr. Clinton and company to take that example of a pleading out of his case, to delay until 1997 Paula Corbin's day in court, or if he were to win a second term, to delay it until the next century, 2001 is when Mr. Clinton would leave office, at noon on January 20 if he gets a second term, and then Paula Corbin Jones can have her day in court.

Now, Mr. Speaker, you, who was one of the first signers of the letter out of 238, I think you might have been so busy today, you missed the inimitable Maureen Dowd, her column in the New York Times, America's paper of record. All the news that fits—I mean all the news that is fit to print. That was not deliberate. I have said it the other way so often that I did not mean to do that. All the news that is fit to print.

Maureen Dowd was going to title her column on Mr. Clinton ''Hiding Behind the Soldiers and Sailors Relief Act of 1940,'' and I will explain that in some brief detail, what it is and what it is not. It involves only civil cases, by the way, not criminal charges. It does not cover sexual harassment. But Maureen Dowd told me she was going to call her column ''Sergeant Bilk.'' I said well, I would have called it ''No Bridge Too Far.'' Cross my heart, that is what I said, Mr. Speaker, right in that Speaker's lobby. And guess what she calls her column? ''No Bridge Too Far.''

Above her name, which appears because she would be one of their senior columnists, above her own name Maureen Dowd appears ''Liberties.'' It is kind of a top headline. And then a subject-headline says, I can hear the music, ''He's in the Army now.'' And here is her column, dateline ''Washington.'' That is where Maureen Dowd covers the whole wild scene inside the Beltway, from right here in the arena listening to the screams of the Christians and the roars of the lions.

She says, ''As A society, we haven't preserved our sense of shame.'' Billy Graham signed off on that on May 2 in the rotunda.

☐ 1630

We have not preserved our sense of shame. ''But Bill Clinton is doing his best'', his best—

To preserve our sense of shamelessness.

The President and his Rasputin, Dick Morris, have broken creative new ground in brazenness.

First they snatch Republican positions counting, not unreasonably, on the forgetfulness of voters and the expediency of Democrats who want their Republican in the White House to win. And now they are both embroiled in kerfuffles on Capitol Hill, where it takes a lot to be called shameless.

At my age, Mr. Speaker, when I come across a new word, it is a thrill. When I was a young college kid I used to read a Bill Buckley column and find five words I did not know. I now know that Bill Buckley and I are peers because I have not read a column of his in at least 2 years where I have not known every word in the column, but this one is a new one.

Mr. ROHRABACHER, would you do me a favor? As you prepare your succinct remarks and trenchant comments for tonight, would you go to the big dictionary and look up this word, K-E-R-F-U-F-F-L-E-S, kerfuffles. That is what Maureen Dowd says, and I will read this sentence again. I love to learn a new word, ''And now they are both embroiled.'' the President and his people on the other side of the aisle, ''in kerfuffles on Capitol Hill, where it takes a lot to be called shameless.''

''In a move that marks a new level of chutzpah in American politics, Mr. Clinton's lawyers mentioned in their appeal to the Supreme Court'', this is the Supreme Court across the street there on the east side of this beautiful Capitol Hill, Mr. Speaker, ''on Paula Corbin Jones's sexual harassment suit that the President may be protected by the Soldiers' and Sailors' Civil Relief Act of 1940, which was designed to give American troops some protection from civil suits while on active duty.''

And if people wonder why that is 1940 instead of 1941 or 1942, remember, Mr. Speaker, that in this Chamber, in August of 1941, the draft, which had been in existence for a year, was saved by one vote in this Chamber. It past a little more comfortably in the Senate. And it was because we were taking young men off the farms and out of high schools and colleges and putting them in the military. No one could foreclose on their home or hit them with a civil suit while they were on active duty and pretty soon about to face the Japanese warlord's treachery at Pearl Harbor.

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

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

Mr. BONO. It appears from your dialogue here that you are rather emotional about an issue, and I may be going the wrong way, and I certainly do not want to go against a colleague, but I though it would be a nice gesture on our part to collect funds and buy a flak jacket for the President.

I just want to make sure that that is not offensive to the line of dialog that you are using here.

Mr. DORNAN. Well, you made a credible case earlier to me on the floor, not just in humor, that if he pursued this and got a finding of the Supreme Court that he truly was on active duty, at our press conference, one of the press, Less Consolving, of a local radio station, I think he is syndicated, said, ''Does that mean he would have to test for HIV?'' HENRY HYDE, our distinguished colleague and chairman of the Committee on the Judiciary, said maybe he would have to go through boot camp. An abbreviated one, to be sure. And imagine him on active duty and all the repercussions and fallout from that.

Mr. BONO. I thank the gentleman.

Mr. DORNAN. I have just been joined by Mr. BOB STUMP. I wish you would take that microphone, chairman of the Committee on Veterans' Affairs. BOB STUMP has brought to me NEWT GINGRICH'S signature. That makes it 236. SUSAN MOLINARI called in from crib side with her brand new baby.

Mr. STUMP. Yes.

Mr. DORNAN. I remember the baby's middle name, Ruby. I forget the first name. Maybe it is Susan Ruby Paxon. So that makes it 236. So it is official.

Let me just thank you, Mr. Chairman, and if you would tell us briefly why you as a World War II veteran find this the bizarrest of stretches, or as Maureen Dowd put it, ''No Bridge Too Far'', that Clinton's pleadings in the Supreme Court on the Paul Corbin Jones case is offensive to you a veteran.

Mr. STUMP. Mr. DORNAN, let me just thank you for all your hard work on this, and the reason we got so involved in this, it is so offensive to anyone that has ever worn the uniform of the United States services. The fact that this man that said one time that he did not like the military and now he is trying to hide behind the service of the military is incredible.

So I just want to thank you, and the Speaker signing that letter now makes, and I thank we are waiting for one person to call in from the airport that we somehow happened to miss, but that is 236.

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

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

Mr. BONO. I would like to enter into a question and answer process, if I may, with you for a second.

I am baffled. You would assume that the President of the United States and what he does would be considered news, especially if you are a newspaper. Would that be a correct assumption?

Mr. DORNAN. Absolutely.

Mr. BONO. Do your find it interesting that a President who has now stated that he is in the military and is using that for a defense and, therefore, should not be brought before any justice system while he is in the military, is only reported, and I get three papers, but it was only reported in the Times.

I am just curious, and perhaps you have the answer, why would not the Post and the Gannett paper give us that story? It is impossible that they would be embarrassed to relate such a story, is it not?

Mr. DORNAN. Well, at our press conference, two reporters began to argue, I do not like debates at press conferences, that it was only an example. They asked who had read it. Well, Mr. STUMP of Arizona had read the Bennett part of their pleadings, I had, and it was more than an example. It was a hint to the judge that we will put this in formal language if you will go this far with this.

And I think the answer to your question is buried in the fact that in a recent poll 91 percent of the elite news media, New York, Hollywood, all the major papers, and all the major papers here except the Washington Times, 91 percent said they voted for Clinton over George Bush. So that is the reason.

I tell you what, I have here the one paper, the great Washington Times, that has driven the story. I see they have a lead editorial that says ''Bill Clinton Military Man?''

So let me finish Maureen Dowd's column, stay right where you are, if you have the time. Mr. ROHRABACHER looked up the word in this big dictionary and kerfuffles is not in the dictionary. So I will ask Maureen if she is using a British dictionary. That one is so old, though, it still has sodomy in it and does not have homophobia, so maybe it has not been updated.

But here is the rest of Maureen Dowd's column, and then I will read the lead editorial in today's Washington Times.

She says, and I will go back one sentence.

> In a move that marks a new level of chutzpah in American politics, Clinton's lawyers mentioned in their appeal to the Supreme Court on Paul Corbin Jones's sexual harassment suit that the President may be protected by the aforementioned act of 1940, which was designed to give American troops some protection from civil suits while on active duty.

President Clinton here thus seeks, these are the exact words of Bob Bennett,

> President Clinton here thus seeks relief similar to that which he may be entitled as Commander in Chief of the armed forces, and which is routinely available to service members under his command. Not for criminal action.

Robert Bennett, the President's lawyer, said he had only cited the act as an example that might extend to the Commander in Chief, not as his main argument. But Mr. Bennett is getting paid too much money to make the hideous mistake of reminding the public of one of Mr. Clinton's improvidences—his maneuvering on the draft—in defense of another—his wandering eye.

Some veterans groups and BOB STUMP, the Arizona Republican who is chairman of the House Committee on Veterans' Affairs, and I would add for Maureen, since she spoke to me, the chairman of military personnel subcommittee, myself, did not care for Mr. Clinton's opportunistic enlistment—Hello sailor.

Mr. STUMP is sending the President a letter signed by 170 Republicans, addendum, 236, the entire conference plus two Democrats, asking him to withdraw his ''ignoble suggestion'', that is from our letter, from the brief. Quoting from our letter:

> The Founding Fathers wanted to enshrine the principle of civilian control of the military in the Constitution and did so by making the President the civilian Commander-in-Chief of the armed forces.

And the same for the Secretary of War, now called the Secretary of Defense, and the three service secretaries, Navy taking care of the Marine Corps. All of them are civilians, and civilians rule in this great land. And that is what makes us unique in all of American history, Mr. Speaker.

Maureen continues from our letter ''You are not'' italicized, ''a person in military service nor have you ever been.''

Also in the President's mailbag is a letter from Republican Congresswomen: Our troops here of about 8 had a press conference yesterday, demanding that Dick Morris, otherwise referred to as Rasputin, be fired for doing

jury duty polling, jury duty polling, for Alex Kelly of Darien, CT, the unsavory teenage burglar who fled the country after he was accused of raping two young girls. He was a fugitive in Europe for 8 years living the posh life of a ski bum while his parents supported him.—Family values.

It is the worst thing an adviser to the President could be doing at this time when crime and crimes against women are such a deep concern to the American people, wrote Representative JENNIFER DUNN on our side of the aisle.

The Republican women are attempting to spruce up Mr. DOLE gender-wise, but they have a good feminist point. Ordinarily, in a case like this, the Democratic women would be yelping, but there was only the occasional brave mutter. Representative NITA LOWEY of New York, ''This is beyond the pale.''

One female Democratic lawmaker explained if this were a Republican President and Dick Morris was helping an accused rapist, you know we would be screaming. But it is not worth picking a fight. We just want to win in '96.

So Democrats have suppressed their distress as Mr. Morris has helped the Clintons shape-shift, when Hillary Clinton told Larry King, ''There is no left wing in the Clinton White House,'' and when Mr. Clinton embraced the radical Wisconsin plan to abolish welfare.

Maureen Dowd, that was not a radical plan. Governor Tommy Thompson's plan is highly reasonable and it is going to sweep the Nation. That is my own, DORNAN, aside.

Maureen finishes, ''Until yesterday, homosexual groups had fumed as the President slithered away from same sex marriage.'' What a great verb, slithered away. ''But the overly eager White House announcement yesterday that Mr. Clinton would sign a law denying Federal recognition for same sex'', that is homosexual, ''marriages if they ever reached his desk was too much. The Human Rights Campaign'', misnamed, ''the largest homosexual rights group, accused the President of caving in to the right wing, and disinvited George Stephanopoulos as a dinner speaker.''

And here is Maureen Dowd's closing paragraph, Mr. Speaker. ''So Bill Clinton is in the Army. He's against gay marriage. His adviser did work for an alleged rapist. He moves from the left wing to the right wing because what he really believes in is the West Wing.''

Mr. Speaker, unless you are one word ahead of me, we found it in the dictionary. Our hats are off to Maureen Dowd, who is becoming the next Bill Buckley. Kerfuffle is to become disheveled. Disturbance. A fuss. A mess. So now I will read that sentence.

□ 1645

And now both the White House and the Democrats in this Chamber are embroiled in kerfuffles, disheveled, disturbances on Capitol Hill, where it takes a lot to be called shameless.

Now to the Washington Times. Bill Clinton, Military Man, lead editorial.

When Bill Clinton famously declared that he loathed the military while doing his best to stay out of it, he was obviously not yet familiar with some of the fringe benefits that military service affords. But the President wants those benefits now, even though he has never spent a day in uniform, though perhaps Mr. Clinton thinks that his spiffy leather bomber jacket counts, the one with the Velcro where he puts on the First Armored Division patch and mixes it in with other visits to uniforms. Remember, Mr. Speaker, this is to be the year of Clinton posing in uniforms. Posing with Catholic schoolgirls and schoolboys in their uniforms but voting for partial birth infanticide. Posing with police officers anywhere in the country at the drop of a hat but with his own State troopers of Arkansas having condemned him for using them to procure. And now he is posing with the military at every drop of the hat. Just spoke to the Coast Guard Academy, and it is to be the year of Mr. Clinton surrounded by uniforms.

So the Washington Times continues: The benefit the President is groping for is the protection from civil litigation provided to active duty military personnel under the Soldiers and Sailors Civil Relief Act of 1940.

I will be putting in at the end of this, Mr. Speaker, Clinton's infamous disgraceful letter to Colonel Eugene Holmes, who was head of the ROTC at the University of Arkansas in 1969. He has been the head for a decade. I spoke to him last night. I will have something about his words later. Then I am going to put in Colonel Holmes' letter from September 7, 1992, which I put in the RECORD that day, the only paper in America, in America that published those two letters, the 1969 letter and the 1992 letter in their fulsome horror, could have changed the election, the only other paper in America, the only paper that put them in was this Washington Times.

So my staff will get those over to me, which I know they are working on. I will put those in at the end of this 30 minutes.

Perhaps Mr. Clinton thought that this new and audacious gambit would go unnoticed. That seems to be what his lawyer Robert Bennett was hoping: If you read the 24-page petition through the first time, you would miss it. That is what Bennett says, it hit me in the face on the first reading, the paragraph pushing the military service claim, Mr. Bennett told the Washington Times. But Mr. Clinton cannot always be that lucky. The chairman of the House Committee on Veterans' Affairs noticed the claim and has expressed his outrage as he just did here on the House floor and in a letter to the President. The commander of the American Legion is similarly nonplussed. They plan a press conference today—we had it; it was terrific—suggesting that the issue is not going to be dispelled with the wave of Mr. Bennett's legal hand.

According to Joseph Cammarata, who together with Gilbert Davis, I have spoken to them, represents Paula Jones in her lawsuit: The President's claim is not only legally inappropriate, it is inappropriate in light of those who served and those who have died in our military over the centuries.

Perhaps if the Soldiers and Sailors Relief Act actually provided a shield to Mr. Clinton, it would have been worth it to the White House to weather the well-earned scorn now being heaped on the President.

What I said, Mr. Speaker, is he should give Robert Bennett the Johnny Cochran award. Anything that works, no matter how shameless, lying, distorted, twisted, or ignominious. But the claim is almost little more than a bad joke, suggesting that Mr. Bennett has been driven to extraordinary and desperate measures to block the discovery process. For starters, as Daniel Ludwig, national commander of the American Legion, points out, the Commander in Chief is a civilian. The President isn't subject to the Uniform Code of Military Justice. He is not eligible for military retirement. His service doesn't fit the legal definition of active duty. It is bizarre that anyone would suggest the civilian President of the United States is on active duty.

I would add to that, as I did before, or Mr. William Perry, Secretary of Defense.

Back to the Times: That was certainly the ruling of the Los Angeles County superior court in Bailey versus Kennedy and Hills versus Kennedy to avoid being sued over damages from a traffic accident. President John F. Kennedy asserted that the Soldiers and Sailors Relief Act protected him as Commander in Chief. It wasn't such a moral stretch for Mr. Kennedy who, after all, had worn a Navy uniform in combat and had been wounded when his boat was cut in two by a Japanese destroyer. But it was such a legal stretch that the judge in LA denied John F. Kennedy's motion without even writing an opinion.

I just learned something reading that in the Washington Times. I didn't know John F. Kennedy had an automobile accident out there.

The President should also have consulted the Supreme Court's interpretation of the Soldiers and Sailors Relief Act in the 1943 case of Boone versus Lightner. The defendant had speculated in the market unwisely and had done so with money improperly taken from his own daughter's trust fund. When sued by the daughter, the defendant relied on the SSRA and the fact that he was a uniformed Army captain in wartime. The high court ruled the captain was not protected from litigation because he had a desk job and was himself a lawyer. Thus unlike the GI in the foxhole, he would certainly be able to make his court appearances.

The court's language is piquant, saying that charges struck at his honor as

well as his judgment. Does that sound like Paula Corbin Jones? It does to this Air Force captain, me.

The justices concluded that discretion is vested in the courts to see that the immunities of the act are not put to such an unworthy use.

I am going to remember those words. To defend yourself from a charge that you exposed yourself and offended a 23-year-old young lady who had just been hired by the State of Arkansas, by the CEO of the State of Arkansas, the Governor. When Mr. Clinton traveled in his Guard airplanes in Arkansas, he would have been called a code 2. The President of the United States is code 1 in the Coast Guard, Army, Navy, Air Force, Marine airplane, code 2 is Vice President Gore in this case, any one of our 50 Governors and any U.S. Senator or Congressman. We are all code 2. I was in an Air Force base as the airdrome officer when they said a code 4 was coming in. That would be a major general. The place turned upside down.

I had never seen a 2-star in my life. One day when they said a code 1 was coming in, I froze in fear. It was President Eisenhower. No, a code 1, excuse me, President, yes, President Eisenhower. A code 2 is pretty special. That is what the CEO is of the State of Arkansas, second only to the President in military respect.

So this is an amazing series of legal cases here, such an unworthy use in that case, whatever I said it was, Boone versus Lightner.

The Washington Times concludes: Mr. Clinton seems willing to use any ruse, however unworthy of his office it may be, to delay answering what, if anything, he was doing or trying to do in an Arkansas hotel room, second floor mezzanine, Excelsior Hotel, Little Rock, with Paula Jones. This ignoble pleading is a slap in the face of the millions of men and women who either are serving on active duty or have served on active duty in the armed forces of the United States, Mr. STUMP and Mr. DORNAN wrote in the letter to their congressional colleagues.

He concludes that the President's most recent legal maneuver makes a mockery of the laws meant to protect the honorable men and women who serve their country. True. Just stop the legal goofiness, Mr. President, the Times concludes. Raise your right hand and get on with it.

I would add, giving the young woman her day in court.

Here is my press release today, Mr. Speaker. Washington, D.C.: It is disgraceful that while the rest of the Nation is honoring our fallen heroes of military service this long Memorial Day weekend, Bill Clinton is seeking shelter behind a military he once claimed to loathe, in an attempt to delay the sexual harassment suit filed by Paula Corbin Jones. On May 15, 1996, attorneys for Mr. Clinton filed an appeal with the U.S. Supreme Court seeking to delay the sexual harassment lawsuit filed by Paula Jones, former Arkansas State employee, under the supervision, all the way up to the top of the Arkansas pyramid, of then Governor Bill Clinton.

Lawyers for Clinton try to use the Soldiers and Sailors Civil Relief Act of 1940, passed because we were, I repeat, we were drafting young men. I repeat some of the things that Mr. STUMP and I said in the letter we circulated on the floor. Repeat again the purposes of the act. And this should be in this formal RECORD today, it is persons in the military service who are devoting their entire energy to the defense needs of the Nation, not traveling around on his two Air Force 747's campaigning and reimbursing only a first class ticket.

I will put the rest of my press release in with my closing line that he mocks his job as civilian Commander in Chief and the honorable men and women who have given their lives to the protection of this great Nation. Tomorrow I go up to Annapolis for the graduation. I spent last Friday at West Point. Believe me, we are turning out honorable men and women.

Mr. Speaker, I include for the RECORD the following material:

TEXT OF BILL CLINTON'S LETTER TO ROTC COLONEL

The text of the letter Bill Clinton wrote to Col. Eugene Holmes, director of the ROTC program at the University of Arkansas, on Dec. 3, 1969:

I am sorry to be so long in writing. I know I promised to let you hear from me at least once a month and from now on I will, but I have had to have some time to think about this first letter. Almost daily since my return from England I have thought about writing, about what I want and ought to say.

First, I want to thank you, not just for saving me from the draft, but for being so kind and decent to me last summer when I was as low as I have ever been. One thing which made the bond we struck in good faith somewhat palatable to me was my high regard for you personally. In retrospect it seems that the admiration might not have been mutual had you known a little more about me, about my political beliefs and activities. At least you might have thought me more fit for the draft than ROTC.

Let me try to explain. As you know, I worked for two years in a very minor position on the Senate Foreign Relations Committee. I did it for the experience and the salary but also for the opportunity, however small, of working every day against a war I opposed and despised with a depth of feeling I had reserved soley for racism in America. Before Vietnam, I did not take the matter lightly, but studied it carefully and there was a time when not many people had more information about Vietnam at hand than I did.

I have written and spoken and marched against the war. One of the national organizers of the Vietnam Moratorium is a close friend of mine. After I left Arkansas last summer, I went to Washington to work in the national headquarters of the Moratorium, then to England to organize the Americans here for demonstrations Oct. 15 and Nov. 16.

Interlocked with the war is the draft issue which I had not begun to consider separately until early 1968. For a law seminar at Georgetown I wrote a paper on the legal arguments for and against allowing the Selective Service System, the classification of selective conscientious objection for those opposed to participation in a particular war, not simply participation in war in any form.

From my work I came to believe that the draft system itself was illegitimate. No government really rooted in limited parliamentary democracy should have the power to make its citizens fight and kill and die in a war they may oppose, a war which even possibly may be wrong, a war which in any case does not involve immediately the peace and freedom of the nation.

The draft was justified in World War II because the life of the people collectively was at stake. Individuals had to fight if the nation was to survive, for the lives of their countrymen and their way of life. Vietnam is no such case. Nor was Korea an example where, in my opinion, certain military action was justified, but the draft was not for reasons stated above.

Because of my opposition to the draft and the war I am in great sympathy with those who are not willing to fight, kill and maybe die for their country (i.e. the particular policy of a particular government) right or wrong. Two of my friends at Oxford are conscientious objectors. I wrote a letter of recommendation for one of them to his Mississippi draft board, a letter which I am more proud of than anything else I wrote at Oxford last year. One of my roommates is a draft resister who is possibly under indictment and may never be able to go home again. He is one of the bravest, best men I know. His country needs men like him more than they know. That he is considered a criminal is an obscenity.

The decision not to be a resister and the related subsequent decisions were the most difficult of my life. I decided to accept the draft in spite of my beliefs for one reason to maintain my political viability within the system. For years I have worked to prepare myself for a political life characterized by both practical political ability and concern for rapid social progress. It is a life I still feel compelled to try to lead. I do not think our system of government is by definition corrupt, however dangerous and inadequate it has been in recent years. (The society may be corrupt, but that is not the same thing, and if that is true, we are all finished anyway.)

When the draft came, despite political convictions, I was having a hard time facing the prospect of fighting a war I had been fighting against, and that is why I contacted you. ROTC was the one way left in which I could possibly, but not positively, avoid both Vietnam and resistence. Going on with my education, even coming back to England, played no part in my decision to join ROTC. I am back here and would have been at Arkansas Law School because there is nothing else I can do. In fact, I would like to have been able to take a year out, perhaps to teach in a small college or work in some community action project and in the process to decide whether to attend law school or graduate school and how to begin putting what I have learned to use.

But the particulars of my personal life are not nearly as important to me as the principles involved. After I signed the ROTC letter of intent, I began to wonder whether the compromise I had made with myself was not more objectionable that the draft would have been, because I had no interest in the ROTC program in itself and all I seemed to have done was protect myself from physical harm. Also, I began to think I had deceived you, not by lies—there were none—but by failing to tell you all the things I'm writing now. I doubt that I had the mental coherence to articulate then.

At that time, after we had made our agreement and you had sent my ID deferment to

my draft board, the anguish and loss of my self-regard really set in. I hardly slept for weeks and kept going by eating compulsively and reading until exhaustion brought sleep. Finally on Sept. 12, I stayed up all night writing a letter to the chairman of my draft board, saying basically what is in the preceding paragraph, thanking him for trying to help in a case where he really couldn't, and stating that I couldn't do the ROTC afterall and would he please draft me as soon as possible.

I never mailed the letter, but I did carry it on me every day until I got on the plane to return to England. I didn't mail the letter because I didn't see, in the end, how my going in the Army and maybe going to Vietnam would achieve anything except a feeling that I had punished myself and gotten what I deserved. So I came back to England to try to make something of this second year of my Rhodes scholarship.

And that is where I am now, writing to you because you have been good to me and have a right to know what I think and feel. I am writing too in the hope that my telling this one story will help you to understand more clearly how so many fine people have come to find themselves still loving their country but loathing the military to which you and other good men have devoted years, lifetimes of the best service you could give. To many of us, it is no longer clear what is service and what is disservice or if it is clear the conclusion is likely to be illegal.

Forgive the length of this letter. There was so much to say. There is still a lot to be said, but it can wait. Please say hello to Col. Jones for me.

Merry Christmas.

Bill Clinton.

A COLONEL SETS THE RECORD STRAIGHT

[Sept. 7, 1992, Memorandum for Record]

Subject: Bill Clinton and the University of Arkansas ROTC Program

There have been many unanswered questions as to the circumstances surrounding Bill Clinton's involvement with the ROTC department at the University of Arkansas. Prior to this time I have not felt the necessity for discussing the details. The reason I have not done so before is that my poor physical health (a consequence of participation in the Bataan Death March and the subsequent 3 years internment in Japanese POW camps) has precluded me from getting into what I felt was unnecessary involvement. However, present polls show that there is the imminent danger to our country of a draft dodger becoming Commander-in-Chief of the Armed Forces of the United States. While it is true, as Mr. Clinton has stated, that there are many others who avoided serving their country in the Vietnam War, they are not aspiring to be the President of the United States.

The tremendous implications of the possibility of his becoming Commander-in-Chief of the United States's Armed Forces compels me now to comment on the facts concerning Mr. Clinton's evasion of the draft.

This account would not have been imperative had Bill Clinton been completely honest with the American public concerning this matter. But as Mr. Clinton replied on a news conference this evening (Sept. 5, 1992) after being asked another particular about his dodging the draft, ''Almost everyone concerned with these incidents are dead. I have no more comments to make.'' Since I may be the only person living who can give a first-hand account of what actually transpired, I am obligated by my love for my country and my sense of duty to divulge what actually happened and make it a matter of record.

Bill Clinton came to see me in my home in 1969 to discuss his desire to enroll in the ROTC program at the University of Arkansas. We engaged in an extensive, approximately two (2) hour interview. At no time during this long conversation about his desire the program did he inform me of his involvement, participation, and actually organizing protests against the United States involvement in Southeast Asia. He was shrewd enough to realize that had I been aware of his activities, he would not have been accepted into the ROTC program as a potential officer in the United States Army.

The next day I began to receive phone calls regarding Bill Clinton's draft status. I was informed by the draft board that it was of interest to Senator Fullbright's office that Bill Clinton, a Rhodes Scholar, should be admitted to the ROTC program. I received several such calls. The general message conveyed by the draft board to me was that Senator Fullbright's office was putting pressure on them and that they needed my help. I then made the necessary arrangements to enroll Mr. Clinton into the ROTC program at the University of Arkansas.

I was not ''saving'' him from serving his country, as he erroneously thanked me for in his letter from England (dated Dec. 3, 1969). I was making it possible for a Rhodes Scholar to serve in the military as an officer.

In retrospect I see that Mr. Clinton had no intention of following through with his agreement to join the Army ROTC program at University of Arkansas or to attend the University of Arkansas Law School. I had explained to him the necessary of enrolling at the University of Arkansas as a student in order to be eligible to take the ROTC program at the university. He never enrolled at the University of Arkansas, but instead enrolled at Yale University after attending Oxford. I believe that he purposely deceived me, using the possibility of joining the ROTC as a ploy to work with the draft board to delay his induction and get a new draft classification.

The Dec. 3 letter written to me by Mr. Clinton, and subsequently taken from the files by Lt. Col. Clint Jones, my executive officer, was placed into the ROTC files so that a record would be available in case the applicant should again petition to enter into the ROTC program. The information in that letter alone would have restricted Bill Clinton from ever qualifying to be an officer in the United States military. Even more significant was his lack of veracity in purposely defrauding the military by deceiving me, both in concealing his anti-military activities overseas and his counterfeit intentions for later military service. These actions cause me to question both his patriotism and his integrity.

When I consider the calibre, the bravery, and the patriotism of the fine young soldiers whose deaths I have witnessed, others whose funerals I have attended . . . . . When I reflected on not only the willingness, but eagerness that so many of them displayed in their earnest desire to defend and serve their country, it is untenable and incomprehensible to me that a man who was not merely unwilling to serve his country, but actually protested against its military, should ever be in the position of Commander-in-Chief of our Armed Forces.

I write this declaration not only for the living and future generations, but for those who fought and died for our country. If space and time permitted I would include the names of the ones I knew and fought with, and along with them I would mention by brother Bob, who was killed, during World War II and is buried in Cambridge, England (at the age of 23, about the age Bill Clinton was when he was over in England protesting the war).

I have agonized over whether or not to submit this statement to the American people. But, I realize that even though I served my country by being in the military for over 32 years, and having gone through the ordeal of months of combat under the worst conditions followed by years of imprisonment by the Japanese, it is not enough. I'm writing these comments to let everyone know that I love my country more that I do my own personal security and well-being. I will go to my grave loving these United States of American and the liberty for which so many men have fought and died.

Because of my poor physical condition, this will be my final statement. I will make no further comments to any of the media regarding this issue.

EUGENE J. HOLMES,
Colonel, U.S.A., Ret.

NO BRIDGE TOO FAR

(Maureen Dowd)

As a society, we haven't preserved our sense of shame. But Bill Clinton is doing his best to preserve our sense of shamelessness.

The President and his Rasputin, Dick Morris, have broken creative new ground in brazenness.

First they snatch Republican positions, counting (not unreasonably) on the forgetfulness of voters and the expediency of Democrats who want their Republican in the White House to win. And now they are both embroiled in kerfuffles on Capitol Hill, where it takes a lot to be called shameless.

In a move that marks a new level of chutzpah in American politics, Mr. Clinton's lawyers mentioned in their appeal to the Supreme Court on Paula Corbin Jones's sexual harassment suit that the President may be protected by the Soldiers' and Sailors' Civil Relief Act of 1940, which was designed to give American troops some protection from civil suits while on active duty.

''President Clinton here thus seeks relief similar to that to which he may be entitled as Commander in Chief of the Armed Forces, and which is routinely available to service members under his command.''

Robert Bennett, the President's lawyer, said he had only cited the act ''as an example'' that might extend to the Commander in Chief, not as his main argument.

But Mr. Bennett is getting paid too much to make the hideous mistake of reminding the public of one of Mr. Clinton's improvidences (his maneuvering on the draft) in defense of another (his wandering eye).

Some veterans' groups and Bob Stump, the Arizona Republican who is chairman of the House Committee on Veterans' Affairs, did not care for Mr. Clinton's opportunistic enlistment. (Hello, sailor).

Mr. Stump is sending the President a letter, signed by 170 Republicans, asking him to withdraw his ''ignoble suggestion'' from the brief: ''The Founding Fathers wanted to enshrine the principle of civilian control of the military in the Constitution and did so by making the President the civilian Commander in Chief of the Armed Services. You are not a person in military service, nor have you ever been.''

Also in the President's mailbag is a letter from Republican Congresswomen demanding that Dick Morris be fired for doing jury-related polling for Alex Kelly of Darien, Conn., the unsavory teen-age burglar who fled after he was accused of raping two girls. He was a fugitive in Europe for eight years, living the posh life of a ski bum, while his parents supported him. (Family values.)

''it is the worst thing an adviser to the President could be doing at a time when crime and crimes against women are such a deep concern to the American people,'' wrote Representative Jennifer Dunn.

The Republican women are attempting to spruce up Mr. Dole gender-wise, but they have a good feminist point. Ordinarily, in a case like this, the Democratic women would be yelping, but there was only the occasional brave mutter. ''This is beyond the pale,'' said Representative Nita Lowey of New York.

One female Democratic lawmaker explained: ''If this were a Republican President and Dick Morris was helping an accused rapist, you know we would be screaming. But it's not worth picking a fight. We just want to win in '96.''

So Democrats have suppressed their distress as Mr. Morris has helped the Clintons shape-shift—when Hillary Rodham Clinton told Larry King ''There is no left wing of the Clinton White House,'' and when Mr. Clinton embraced the radical Wisconsin plan to abolish welfare.

Until yesterday, gay groups had fumed as the President slithered away from same-sex marriage. But the overly eager White House announcement yesterday that Mr. Clinton would sign a law denying Federal recognition for same-sex marriages if it ever reached his desk was too much. The Human Rights Campaign, the largest gay-rights group, accused the President of carving in to the right wing, and disinvited George Stephanopoulos as a dinner speaker.

So Bill Clinton is in the Army. He's against gay marriage. His adviser did work for an alleged rapist. He moves from the left wing to the right wing because what he really believes in is the West Wing.

CLINTON'S LATEST DISCRACEFUL DODGE

''It is disgraceful that while the rest of the nation is honoring our fallen heroes of military service this weekend, Bill Clinton is seeking shelter behind the military he once claimed to loath, in an attempt to delay the sexual harassment lawsuit filed by Paula Jones,'' commented Congressman Robert K. Dornan, Chairman of the House National Security Subcommittee on Military Personnel, after the announcement that Bill Clinton will use The Soldier's and Sailors' Civil Relief Act of 1940 as part of his legal defense before the United States Supreme Court.

On May 15, 1996, attorneys for President Clinton filed an appeal with the U.S. Supreme Court seeking to delay the sexual harassment lawsuit filed by Paula Jones, a former Arkansas state employee under the supervision of then-Governor Bill Clinton.

Lawyers for Clinton contend that the Soldiers' and Sailors' Civil Relief Act of 1940 provides temporary protection from civil suits while the President is in office. This Act requires that civil litigation against members of the armed services be postponed while they are on active duty. According to his plea, ''President Clinton here thus seeks relief similar to that which he may be entitled as Commander in Chief of the Armed Forces.''

However, the purpose of the Act is to allow the United States to fulfill the requirements of national defense, by enabling ''persons in the military service . . .'' to ''devote their entire energy to the defense needs of the Nation.'' Furthermore, this Act clearly states that only members of the Army, Navy, Marines, Air Force, and Coast Guard, and officers of the Public Health Service when properly detailed, are eligible for such relief. This Act goes further in defining the term ''military service'' to include the period during which one enters ''active service'' and ends when one leaves ''active service.''

Under the Constitution, Bill Clinton is the civilian Commander in Chief of the Armed Forces. The Founding Fathers wanted to enshrine the principle of civilian control of the military in the Constitution and did so by making the President the civilian Commander in Chief.

''Bill Clinton has never been an active duty member of the military. In fact, in 1969, he dodged the draft and ran from his obligations to both his military and his country. And now as the civilian Commander in Chief, he mocks the honorable men and women who have given their lives to the protection of our great nation.''

BURMA

The SPEAKER pro tempore (Mr. GOSS). Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. ROHRABACHER] is recognized for 30 minutes as the designee of the majority leader.

Mr. ROHRABACHER. Mr. Speaker, I thank the gentleman from California [Mr. DORNAN] for granting me this time from his 1-hour special order.

There are several issues that I would like to speak about today. Perhaps there is one issue that I should begin with, because no one else seems to be speaking out, although I know that it is close to the hearts of both Republicans and Democrats here in the House of Representatives.

When we have our disagreements here in the House, one thing that we learn is that although we disagree, we do have some fundamental agreements that keep us together as Americans and that bind us to all of the American people. That is, we do believe in democracy. We do believe in freedom of speech. We do believe in these fundamentals that were fought for by George Washington, whose picture is on our wall here in the Chamber of the House.

We believe that we have a commitment to the world, a commitment to the world to stand for freedom because our forefathers were aided by people whose picture is also here on the wall in our Chamber, Lafayette, who came here to help us struggle for our freedom and independence over 200 years ago.

Basically he did so because he wanted to express a solidarity with the people of the United States, knowing that we would be the champions of freedom. By our very nature, our country is composed of people who come here from all corners of the world, all parts of the world, every race, every religion, every ethnic group is represented here, and we live together in freedom and democracy. By that very nature, we owe the world something. That is the stay true to those principles of freedom and democracy that our forefathers proclaimed, not just the rights of Americans but the rights of all people.

In the last 48 hours, there has been a vicious attack on the cause of democracy in the country of Burma. Burma is a country you do not hear much about. Most Americans in fact probably think that Burma, the only thing they relate to is BurmaShave, they think of BurmaShave. It must be some sort of shaving cream or something.

In fact, Burma is a country with 48 million people in Southeast Asia. A country that now is suffering under the heel of one of the world's most vicious dictatorships. And over these last few years, many of us who have been active in the human rights movement have tried to work and do our best to see that perhaps Burma could evolve out of this dictatorship. The military dictatorship in Burma is called SLORC. It is a name that basically fits the regime because it sounds like it is right out of ''Star Wars,'' out of the monstrous regimes that the freedom fighters in the film series ''Star Wars,'' where the freedom fighters are fighting against the evil empire.

This evil empire in Burma is repressing the people. But there is, you might say, a champion of freedom, a hero to the world who lives in Burma and has tried to bring democracy to that country. It is Aung San Suu Kyi. Aung San Suu Kyi was of course of Nobel prize winner 2 years ago. She has suffered 5 years of confinement. She was arrested by the SLORC regime. Then last year she was set free and many of us hoped that there would be lessening of the repression in Burma. But what has happened in the last 48 hours is that the military dictatorship in Burma, SLORC, has rounded up almost 200 members of the democratic opposition in Burma and arrested them.

Anyone who is meeting with Aung San Suu Kyi, anyone who is involved in the democratic movement is being arrested. Dr. Sein Win, the Prime Minister of the democratic government in exile, testified in the Senate yesterday that the situation in Burma is one of despair and despotism. Today his brother, who is not even a member of the democratic movement, was arrested in retaliation for what Prime Minister Sein Win testified about here in Washington.

□ 1700

So I have introduced a piece of legislation hopefully that will discourage Americans from doing business in Burma. It is H.R. 2892, and we would hope that the American people and American businessmen recognize that here is a country that if anywhere we should take a stand for freedom. If anywhere in the world we could take a stand and it will not hurt us and we just show that we believe in freedom, it could be Burma. And there is no excuse for us not to do so. There is no strategic interest there, there is no huge commercial interest, but what is there are 48 million people suffering under the heal of despotism, crying out to the United States for us to take a stand.

Take your stand, America. What side are you on?

When that cry goes out from people who are being oppressed, never should we say we are on the side of the dictators, we are on the side of the oppressors.

This country, this dictatorship in Burma, has financed its war on its own people by selling off its teak forests, which have been decimated, by basically selling its natural resources, its

gems, to foreigners who have come in and extracted it, and they put the money, the SLORC has put the money into their own pockets and into their own coffers, and now it is even willing to sell its natural gas resources to American companies. And where do these moneys go? They go into the purchase of weapon systems of military equipment and militarization of this country that is used to repress their own people.

Furthermore, this monstrous regime that represses its own people in Burma has taken its resources also by becoming involved in the drug trade. Many people in our country wanted us to actually cooperate with the Government of Burma, with its dictatorship, thinking that we could together stand against drugs.

Others of us believed, as I think has been reconfirmed, that the dictatorship in Burma is up to their necks in the drug trade. They have not refrained from becoming involved in growing opium and selling heroin because of some kind of morality. If they had any morality, they would not be murdering their own people, and that was brought home more recently when the drug lord Kung Saw, who was famous in the United States, or I should say infamous in the United States, he was put out of business by the Burmese military dictatorship, and what has happened? Kung Saw, he may have gone into retirement; of course he is not in jail, he is in retirement in Rangoon; but the drug trade and the drug production from his area, which is now under government control, continues at the level that it was.

Aung San Suu Kyi, this heroine of freedom, this women who in our time shows an example to the world of what we should be like as Americans, champions of freedom, has asked us to put economic sanctions on this regime because it now has shown its true colors. It does not, the Burmese regime, the SLORC regime, does not want reform. It instead is seeking further repression and will grasp on to power until the last desperate time, what they have, is gone, until they are forced from power by pressure from the outside or by perhaps revolution from their own people. Unfortunately the SLORC regime is being bolstered by a military that is being supplied by Communist China. Communist China has sold Burma the weapons it needs to maintain a dictatorship.

In fact, Burma, is becoming a client state of China. The Red Chinese regime is doing all it can to keep its buddies, its gangster buddies, in power in Rangoon.

Congress will soon take up the issue, interestingly enough, of most-favored-nation status to China. This is an important piece of legislation. But let us make sure that, as we move forward when we are talking about Burma, that we can make a stand in Burma, and I, as I say, I have introduced H.R. 2892, and I ask my fellow colleagues to join me in basically outlawing any further American investment through supporting H.R. 2892 and opposing any further American investment in Burma.

Now, we will make another choice very soon, too, which it comes to most-favored-nation status with China. When it comes to this decision, yes, there are a lot of other factors at play. There are many. China, Communist China, is a strategic country. There are a billion people in China. China has technologies. China has a huge army that can affect the United States. And also economically we are already in an economic relationship that in some way binds us to that country.

But just today it was disclosed that Chinese officials themselves have been involved with smuggling fully automatic AK–47 rifles into the United States. These are people that have contacts in the Chinese army. These are not Chinese entrepreneurs, people doing this outside of their own government. These are government officials themselves.

The Red Chinese regime is a rogue regime. It is oppressing its own people just like in Burma and every other dictatorship, but the regime also sells nuclear weapons technology to developing countries and arms dictatorships like Burma. It has a Nazi-like policy in dealing with orphans, in dealing with the disabled and dealing with the unborn.

It is conducting an economic war against the United States. I mean the bottom line is American companies find it difficult to sell in China unless the Chinese regime permits them to sell their goods there, yet they take full advantage of our market in the United States. So they limit access to their market, and they end up stealing our intellectual property, as is becoming known now. These people are involved with grand theft of our intellectual property rights, our CD's, our entertainment items that are worth billions of dollars to the economy of southern California; they are being ripped off by companies that are owned by the People's Liberation Army, by government officials in China.

They have, in fact, a $35 billion trade surplus with us that does not even count the rip-offs, and with this $35 billion in surplus, they buy weapons in order to upgrade their military, to threaten their neighbors, and bully their neighbors and to become a, quote, power in the world. Well, we have seen what that power means. What it means when you have a dictatorship spending money and upgrading its military, it means that it threatens its neighbors even more aggressively.

In the Philippines they know what a better armed China means. They have recently had a little confrontation with the Chinese over the Spratley Islands, and what should have been a negotiated disagreement became almost an armed confrontation when a belligerent, hostile and a threatening Red China decided it would have its way, negotiations were not the order of the day.

We also saw the results of this when just a month ago the Red Chinese regime sent its military into the Taiwan Strait in an attempt to intimidate the democratic government, the Republican of China, Taiwan, trying to intimidate them into not having a free election. What we saw were missiles being fired at a democratic people, people who were simply trying to have an election, in order to intimidate them and frighten them from their democratic rights.

Well, what more, what more I ask you, does a country have to do before the United States says that they will not enjoy the trading status of most-favored-nation status with the United States? What more can a regime do? Do they have to open up gas ovens and begin murdering people exactly like the Nazis did during World War II?

This is a regime, a monster regime, on the mainland of China, and this administration, the Clinton administration, has decoupled any consideration of human rights to the consideration of most-favored-nation status for that regime. It is a disgrace. Let us remember that President Clinton 4 years ago was attacking then sitting President Bush for granting most-favored-nation status to the mainland Chinese regime, and as soon as President Clinton became President, not only did he grant most-favored-nation status, but he has decoupled the consideration of most-favored-nation status from any discussion about human rights. It is the ultimate hypocrisy and has been one of the biggest and worst setbacks for the human rights community in the U.S. history, when the President, when President Clinton, not only reneged but did an absolutely turnabout in his belief in supporting human rights on mainland China.

Well, who is it up to, then? It is up to us, the American people, to stand for our beliefs in freedom and democracy and to stand up, yes, for the interests of the United States, and what is happening with the most-favored-nation status debate here in Congress is that we find that those companies that are making a profit from their investment in China, a huge profit from their investment in China, have turned around and become lobbyists to us for this dictatorial regime. What we have found is not that what the theory was was that if we permit our people to invest in China they will become emissaries of democracy to that country, but they have instead become lobbyists for a dictatorship to the United States.

Well, we are the ones who have to make the decision, not just based on what a very small group of companies are doing, making a profit by dealing with these terribly dictatorial regimes whose hands are dripping with blood.

The fact is that when it comes to Burma, we have a right also to tell our people this is not the right thing to do,

for your to do, to invest in that dictatorship. We also have a right and obligation to our own people to say we will not permit Chinese goods that are produced in slave labor camps and produced by the army, buy companies that are owned by the army, and produced by a regime that is trying to bolster its weapon systems to threaten its neighbors, we will not permit that country to come into our marketplace and with the same status of other free and democratic countries.

I would hope that the American people insist that their representatives in the United States vote against most-favored-nation status for China.

There is one other issue that will be coming forth very quickly and that we will find in front of this body within the next 2 weeks. It is an issue that relates to most-favored-nation status and relates to these dictatorships around the world because it is changing our patent system in a way that will permit those thieves, those dictatorships around the world, to steal American technology.

Now, most of you probably have not heard anything about the proposed changes in our patent law. Most Americans would not even understand the proposed changes in our patent law. But there is an insidious attempt being made to make fundamental changes in the situation of our patent system, in the makeup of our patent system, so that it will be easier for foreign corporations to steal America's greatest asset, and that is the genius of our people. What will be coming forth before this body is a bill, H.R. 3460, which I call the Steal American Technologies Act. This act, believe it or not, will insist that from now on, if an American inventor applies for a patent in this country, after 18 months, whether or not that patent has been issued, that American inventor's application with all the details of the technology that he has developed will be published for the world to see. This is an invitation to the thieves of the world to steal our most precious asset, and that is the innovative and creative ideas of our inventors and our technology that we will use in the future to keep America competitive.

This is absolutely the greatest threat that I see to America's future prosperity, yet so few people will understand what the vote is all about. But it does not take a genius, however, to understand that if we disclose the information of our inventors, even before their patents have been issued, that there will be a line at the Patent Office to get that information and to fax it immediately to the Chinese mainland, where they will set up manufacturing units based on those ideas and that technology even before our inventors are issued their own patent.

Ironically, when H.R. 3460, the ''Steal American Technologies Act,'' was going through the subcommittee, and it has passed the subcommittee in this body and is heading for the floor, on the day that it was passed in the subcommittee I had a representative of an American company that represents many patents. It happens to be a solar energy company. He was there in my office, and we were discussing the patent law.

□ 1715

I asked him what would happen if his patent applications had been published before he actually was issued the patent. His face turned white, and his fists came together, and he said,

> Congressman, if my patent applications are published before my patent is issued my foreign competitors will be actually manufacturing the things that I have invented before I can even go into manufacturing them. And do you know what they will do if I try to sue them later? They will use the profits from my own technology to fight me in court and wipe me out.

Mr. Speaker, this is a great threat to American prosperity. Every American should contact their Member of Congress, their Senator, to defeat H.R. 3460, the steal American technologies act. But this is only one, just one swing at the American patent system. The American patent system has been under attack, but because it is so hard to understand, the American people cannot see what is going on.

Another part of this very same bill would corporatize the Patent Office of the United States. People will say, DANA ROHRABACHER is a conservative Republican. Does he not believe in privatization? I certainly do not believe we should take our court system and the court functions of government and privatize them. No, there are certain things government has to do. Those things deal with protecting our rights, protecting our freedom, especially defining the property rights we have in a free society.

Part of this legislation would take the Patent Office and corporatize it and turn it into something like the Post Office. That may sound benign but, in effect, that would take patent examiners who today are making decisions, responsible decisions for what are the property rights dealing with new technology in our society, as to who owns those ideas and those new property rights that are being created, and those patent examiners by that process will be stripped of their civil service protection.

They will be then put in jeopardy of many outside forces, and even inside forces that might want to influence their decision, forces that have been thwarted up until now because patent examiners know their job is to make the right decision, and they are protected from people making assaults on them or trying to influence them from the outside.

Can anyone believe that stripping our patent examiners, the people who will define what is American technology in the future and who owns it, stripping them of their civil service protection, is not going to open the doorway to corruption, open the doorway to foreigners coming here trying to steal our technology, and cut off our people from the rights to control their own inventions? Does anyone believe that that will not happen?

No one who looks at the issue believes that, but the fact is most of the Members of Congress will never have any way of seeing the details. They will be told some local company has decided that H.R. 3460, which I call the steal American technologies act, is a good thing because many American companies, what has happened, these big corporations, many of them who are now owned by multinational corporations and outside people, have big shares in those companies; but these big American corporations have decided that they are going to buy into global protection of America's intellectual property.

What it is, basically they have decided that for a promise from other countries like Red China, like Japan, and like many other developing countries, a promise from those countries, oh, yes, we will protect our intellectual property rights if you will only conform your system to be like our system. The changes that are brought about by H.R. 3460 are basically aimed at what they call harmonizing our law with that of Japan. We will blink our eyes and in a very short time period, we will see the patent law in the United States totally changed so that it mirrors that which Japan has had over these last few decades.

Mr. Speaker, it is very hard for people to understand what the significance of this is. Why is the gentleman from California, DANA ROHRABACHER, down here on the floor talking about patent law, these little changes? So what if it is going to harmonize with Japan?

Do we really want to walk around like ants, like the people of Japan? Do we want to be suppressed by the business interests, by the big boys that run roughshod over the people in Japan? How many new innovations and how much creativity has come out of Japan in these last 20 years? The people of Japan allow themselves, because they have a different culture, allow themselves to be dominated by big interest groups who control their society.

That is not what America is all about. America is about the rights of the individual, the rights of the little guy, the rights of every person to have the same control over his destiny as those people who are more affluent, the rights of every person to direct the course of his Government. Other countries are not this way.

But what we have here coming before this body is a stark choice: H.R. 3460, the steal American technologies act, versus a bill that I have put forward and tried to get to the floor of this body for 1½ years, H.R. 359. H.R. 359 would protect American inventors, and it would restore to American inventors the guaranteed patent right that they have to protect their invention or their idea for a guaranteed patent term of 17

years after they have been issued a patent.

Most Americans do not understand, and I am sad to report to those people who are listening tonight that the guaranteed patent term that Americans enjoyed for over 130 years has already been taken away from them, and most Americans do not even know it.

What happened is a year and a half ago, in the GATT implementation legislation, an item was snuck into this legislation that had nothing to do with the GATT agreement. It was not required by GATT but it was snuck in there, so that we as a body would have to vote against the entire world trading system, or we would have to vote for the world trading system. We would have to vote against the world trading system in order to get at that one provision.

Most Members, of course, were not willing to cut us off from all of the trade regulations of the GATT negotiations. But it was an insult to this body that they had put this provision in in the first place. What did this small provision do, this one little item that they snuck in there? There was an innocuous change in the patent law. It said that the patents now in the United States will now be measured from 20 years from the time the inventor files for the patent. So, 20 years later he will no longer have any patent rights.

It almost sounds like, hey, we are actually expanding the amount of time that a patent applicant has for the protection of his patent. But in reality what has happened, what we used to have is that if someone applies for a patent and it took 5 or 10 years for his patent application to be processed, he or she would have 17 years guaranteed patent protection time in order to make that investment back, in order to profit from that technology. But if we started at 20 years and it is over, if we started when the man applied for the patent and it is over in 20 years, if it takes 10 or 15 years for the patent to issue, that patent is almost worthless by the time it is issued. The fact is that three-quarters of the time has already been used up. In other words, the clock is ticking against the individual, rather than ticking against the bureaucracy.

That was a dramatic change, to let us harmonize our system with Japan. Mr. Speaker, it seems innocuous, but in the end, it dramatically affects the production of technology in our society, and it also, interestingly enough, affects who receives the benefits of that technology, because if a foreign corporation then only has to pay 5 years' worth of royalties, rather than 17 years, where is that money going?

That money that used to be going into the pockets of American inventors, because they had a guaranteed 17 years of patent protection, ends up staying right in the coffers of some big corporation in China or Japan or Korea, or even here in the United States. The little guy ends up losing dramatically. The big guys end up being able to steal legally. They have changed the rules of the game.

My bill, H.R. 359, which will serve as a substitute for H.R. 3460, will return the patent rights that the American people lost by the GATT implementation legislation. So we will face a battle in the upcoming weeks between H.R. 3460, which is, as I say, I call it the steal American technologies act, versus my bill, H.R. 359.

I believe this issue deserves to be debated, because it has an impact not only on the people of the United States, but elsewhere. We should not permit countries like Red China to steal American technology and legally do so because we are disclosing our very utmost secrets to them by passing such foolish legislation. When it comes to most-favored-nation status, when there is a dictatorship like Red China or Burma, we should not treat them as any other free Nation.

Mr. Speaker, I do believe in free trade. I believe that commerce between free people is to the benefit of all free people. But let us as a country stand not for trade with dictators, but instead, let us stand for free trade between free people.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. UNDERWOOD (at the request of Mr. GEPHARDT), for today and Wednesday, May 29, on account of official business.

Mr. MCNULTY (at the request of Mr. GEPHARDT), for today, after 2 p.m., on account of personal business.

Mr. WARD (at the request of Mr. GEPHARDT), for today and the balance of the week, on account of a death in the family.

SPECIAL ORDERS GRANTED

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

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

Ms. WATERS, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. LAFALCE, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. OWENS, for 60 minutes, today.

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

Mr. GOSS, for 5 minutes, on May 24.

Mr. WELDON of Florida, for 5 minutes, today.

Mr. SOLOMON, for 5 minutes, today.

Mr. KASICH, for 5 minutes, today.

Mr. BURTON of Indiana, for 5 minutes, today.

Mr. RIGGS, for 5 minutes, today.

Mr. PETERSON of Florida, and to include therein extraneous material notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $5,185.

ADJOURNMENT

Mr. ROHRABACHER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore (Mr. GOSS). Pursuant to the provisions of Senate Concurrent Resolution 60 of the 104th Congress, the House stands adjourned until 2 p.m., Wednesday, May 29, 1996.

Thereupon (at 5 o'clock and 27 minutes p.m.), pursuant to Senate Concurrent Resolution 60, the House adjourned until Wednesday, May 29, 1996, at 2 p.m.

NOTICE OF PROPOSED RULEMAKING

U.S. CONGRESS,
OFFICE OF COMPLIANCE,
Washington, DC, May 22, 1996.

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

DEAR MR. SPEAKER: Pursuant to Section 304(b) of the Congressional Accountability Act of 1995 (2 U.S.C. §1384(b)), I am transmitting on behalf of the Board of Directors the enclosed notice of proposed rulemaking for publication in the Congressional Record. The notice, which the Board has approved, is being issued pursuant to §220(e).

The Congressional Accountability Act specifies that the enclosed notice be published on the first day on which both Houses are in session following this transmittal.

Sincerely,

GLEN D. NAGER,
Chair of the Board.

OFFICE OF COMPLIANCE

The Congressional Accountability Act of 1995: Extension of Rights, Protections and Responsibilities Under Chapter 71 of Title 5, United States Code, Relating to Federal Service Labor-Management Relations (Regulations under section 220(e) of the Congressional Accountability Act).

NOTICE OF PROPOSED RULEMAKING

Summary: The Board of Directors of the Office of Compliance is publishing proposed regulations to implement section 220 of the Congressional Accountability Act of 1995 (''CAA'' or ''Act''), Pub. L. 104–1, 109 Stat. 3. Specifically, these proposed regulations are published pursuant to section 220(e) of the CAA.

The provisions of section 220 are generally effective October 1, 1996. 2 U.S.C. section 1351. However, as to covered employees of certain specified employing offices, the rights and protections of section 220 will be effective on the effective date of Board regulations authorized under section 220(e). 2 U.S.C. section 1351(f).

The proposed regulations set forth herein, which are published under section 220(e) of the Act, are to be applied to certain employing offices of the Senate, the House of Representatives, and the Congressional instrumentalities and employees of the Senate, the House of Representatives, and the Congressional instrumentalities. These regulations set forth the recommendations of the Deputy

Executive Director for the Senate, the Deputy Executive Director for the House of Representatives and, the Executive Director, Office of Compliance, as approved by the Board of Directors, Office of Compliance. A Notice of Proposed Rulemaking under section 220(d) is being published separately.

Dates: Comments are due within 30 days after publication of this notice in the Congressional Record.

Addresses: Submit written comments (an original and 10 copies) to the Chair of the Board of Directors, Office of Compliance, Room LA 200, John Adams Building, 110 Second Street, S.E., Washington, DC 20540–1999. Those wishing to receive notification of receipt of comments are requested to include a self-addressed, stamped post card. Comments may also be transmitted by facsimile (''FAX'') machine to (202) 426–1913. This is not a toll-free call. Copies of comments submitted by the public will be available for review at the Law Library Reading Room, Room LM–201, Law Library of Congress, James Madison Memorial Building, Washington, DC, Monday through Friday, between the hours of 9:30 a.m. and 4:00 p.m.

For Further Information Contact: Executive Director, Office of Compliance at (202) 724–9250. This notice is also available in the following formats: large print, braille, audio tape, and electronic file on computer disk. Requests for this notice in an alternative format should be made to Mr. Russell Jackson, Director, Service Department, Office of the Sergeant at Arms and Doorkeeper of the Senate, (202) 224–2705.

SUPPLEMENTARY INFORMATION:

I. Introduction

The Congressional Accountability Act of 1995 (''CAA'' or ''Act'') was enacted into law on January 23, 1995. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered Congressional employees and employing offices. Section 220 of the CAA addresses the application of chapter 71 of title 5, United States Code (''chapter 71''), relating to Federal Service Labor-Management Relations. Section 220(a) of the CAA applies the rights, protections, and responsibilities established under sections 7102, 7106, 7111 through 7117, 7119 through 7122, and 7131 of chapter 71 to employing offices, covered employees, and representatives of covered employees. These provisions protect the legal right of certain covered employees to organize and bargain collectively with their employing offices within statutory and regulatory parameters.

Section 220(d) of the Act requires the Board of Directors of the Office of Compliance (''Board'') to issue regulations to implement section 220 and further states that, except as provided in subsection (e), such regulations ''shall be the same as substantive regulations promulgated by the Federal Labor Relations Authority (''FLRA'') to implement the statutory provisions referred to in subsection (a) except—

(A) to the extent that the Board may determine, for good cause shown and stated together with the regulations, that a modification of such regulations would be more effective for the implementation of rights and protections under this section, or

(B) as the Board deems necessary to avoid a conflict of interest or appearance of conflict of interest.''

The Board has separately published a Notice of Proposed Rulemaking with respect to the issuance of regulations pursaunt to section 220(d).

Section 220(e)(1) of the CAA requires that the Board also issue regulations ''on the manner and extent to which the requirements and exemptions of chapter 71 [] should apply to covered employees who are employed in the offices listed in'' section 220(e)(2). The offices listed in section 220(e)(2) are:

(A) the personal office of any Member of the House of Representatives or of any Senator;

(B) a standing select, special, permanent, temporary, or other committee of the Senate or House of Representatives, or a joint committee of Congress;

(C) the Office of the Vice President (as President of the Senate), the Office of the President pro tempore of the Senate, the Office of the Majority Leader of the Senate, the Office of the Minority Leader of the Senate, the Office of the Majority Whip of the Senate, the Conference of the Majority of the Senate, the Conference of the Minority of the Senate, the Office of the Secretary of the Conference for the Majority of the Senate, the Office of the Secretary for the Minority of the Senate, the Majority Policy Committee of the Senate, the Minority Policy Committee of the Senate, and the following offices within the Office of the Secretary of the Senate: Offices of the Parliamentarian, Bill Clerk, Legislative Clerk, Journal Clerk, Executive Clerk, Enrolling Clerk, Official Reporters of Debate, Daily Digest, Printing Services, Captioning Services, and Senate Chief Counsel for Employment;

(D) the Office of the Speaker of the House of Representatives, the Office of the Majority Leader of the House of Representatives, the Office of the Minority Leader of the House of Representatives, the Offices of the Chief Deputy Majority Whips, the Offices of the Chief Deputy Minority Whips, and the following offices within the Office of the Clerk of the House of Representatives: Offices of Legislative Operations, Official Reporters of Debate, Official Reporters to Committees, Printing Services, and Legislative Information;

(E) the Office of the Legislative Counsel of the Senate, the Office of the Senate Legal Counsel, the Office of the Legislative Counsel of the House of Representatives, the Office of the General Counsel of the House of Representatives, the Office of the Parliamentarian of the House of Representatives, and the Office of the Law Revision Counsel;

(F) the offices of any caucus or party organization;

(G) the Congressional Budget Office, the Office of Technology Assessment, and the Office of Compliance; and;

(H) such other offices that perform comparable functions which are identified under regulations of the Board.

These offices shall be collectively referred to as the ''section 220(e)(2) offices.''

Section 220(e)(1) provides that the regulations which the Board issues to apply chapter 71 to covered employees in section 220(e)(2) offices ''shall, to the greatest extent practicable, be consistent with the provisions and purposes of chapter 71 [] and of [the CAA].'' To this end, section 220(e)(1) mandates that such regulations ''shall be the same as substantive regulations issued by the Federal Labor Relations Authority under such chapter'' with two separate and distinct provisos:

First, section 220(e)(1), like every other CAA section requiring the Board to issue implementing regulations (*i.e.,* sections 202(d)(2), 203(c)(2), 204(c)(2), 205(c)(2), 206(c)(2), 215(d)(2)), authorizes the Board to modify the FLRA's regulations ''(A) to the extent that the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section.''

Second, independent of section 220(e)(1), section 220(e)(2) requires the Board to issue regulations that ''exclude from coverage under this section any covered employees who are employed in offices listed in [section 220(e)(2)] if the Board determines that such exclusion is required because of—

(i) a conflict of interest or appearance of a conflict of interest; or

(ii) Congress' constitutional responsibilities.''

The provisions of section 220 are effective October 1, 1996, except that, ''[w]ith respect to the offices listed in subsection (e)(2), to the covered employees of such offices, and to representatives of such employees, [section 220] shall be effective on the effective date of regulations under subsection (e).''

II. The Advance Notice of Proposed Rulemaking

A. Issues for Comment that Relate to Section 220(e)

The Board sought comment on two issues related to section 220(e)(1)(A): (1) Whether and to what extent the Board should modify the regulations promulgated by the FLRA for application to employees in section 220(e)(2) offices? (2) Whether the Board should issue additional regulations concerning the manner and extent to which the requirements and exemptions of chapter 71 apply to employees in section 220(e)(2) offices?

The Board sought comment on four issues related to section 220(e)(1)(B): (1) What are the constitutional responsibilities and/or conflicts of interest (real or apparent) that would require exclusion of employees in section 220(e) offices from coverage under section 220 of the CAA? (2) Whether determinations as to such exclusions should be made on an office-wide basis or on the basis of job duties and functions? (3) Which job duties and functions in section 220(e) offices, if any, should be excluded from coverage, and what is the legal and factual basis for any such exclusion? (4) Are there any offices not listed in section 220(e)(2) that are candidates for the application of the section 220(e)(1)(B) exclusion and, if so, why?

In seeking comment on the issues related to section 220(e) regulations, the Board emphasized that it needed detailed legal and factual support for any proposed modifications in the FLRA's regulations and for any additional proposed regulations implementing sections 220(e)(1)(A) and (B).

B. Summary of Comments Received

The Board did not receive any comments on issues arising under section 220(e)(1)(A), and received only two comments on issues arising under section 220(e)(1)(B). These two comments addressed the issue of whether the Board should grant a blanket exclusion for *all* covered employees in the section 220(e)(2) offices. The Board summarizes those two comments here.

One commenter argued that nothing in the CAA warrants any categorical exclusions from coverage. The commenter argued that the CAA's instruction to the Board to issue regulations which ''to the greatest extent practical'' are ''consistent with the provisions and purposes of chapter 71'' invites coverage as broad in scope as chapter 71 provides for Executive Branch employees. The commenter argued that section 220(e)(1)(B) is an exception to the general rule mandating coverage and that Congress did not purport to find that any covered employees necessarily qualified for application of such an exception. The commenter further argued that the legislative history of section 220(e) indicates that Congress simply authorized the Board to determine whether covered employees in section 220(e)(2) offices should be excluded without in any way suggesting that they should be excluded.

The commenter then pointed out that, like Congress, the President is charged with constitutional responsibilities and that executive branch employees (other than statutorily excepted employees) are nonetheless free to join and be represented by unions of their choice. The commenter urged that there is nothing in the functions of the legislative branch that suggests that union representation of legislative branch employees is any different than union representation of executive branch employees (or that it poses any unique concerns). From this argument, the commenter concluded that no blanket exemption of all of the employees in section 220(e)(2) offices is warranted; and the commenter urged that its conclusion is supported by the overall policy of the CAA to bind Congress to the same set of rules that other employers face.

The second commenter took the position that all of the covered employees in a number of the section 220(e)(2) offices should receive a blanket exemption from coverage under section 220. In support of this argument, the commenter first described the Senate's constitutional responsibilities to exercise the legislative authority of the United States; to ''make all laws which shall be necessary and proper for carrying into Execution'' its enumerated powers; to advise and consent to treaties and certain presidential nominations; and to try matters of impeachments. The commenter then stated that, in fulfilling these responsibilities, the Senate must be ''free from improper influence from outside sources so that Members can fairly represent the interests of the United States and its citizens.'' The commenter asserted that exclusion from coverage of all employees in Senators' personal offices is necessary to insulate the legislative process from improper influence by outside parties.

In so stating, the commenter recognized that a number of such employees would already be excluded under chapter 71, but argued that the participation of any employee of a Senator's office in a labor organization would ''interfere with the Senator's constitutional responsibilities, [] allow unions to obtain an undue advantage in the legislative process and to exercise improper influence over Members, and [] create conflicts of interest.'' The commenter asserted that allowing such employees to organize would ''provide labor unions with unprecedented access to and influence over the operations and legislative activities of Senators' personal offices'' and turn the collective bargaining process into ''a lobbying tool of organized labor''.

The commenter contended that union representation of employees in a Senator's personal office also could create significant conflicts of interest, both because legislation that affects union or management rights may have a direct impact on a Senator's bargaining position with an employee union, and because a Senator's voting position may be tainted by the appearance that he or she is affected by the position of the employee union. The commenter also claimed that payment of union dues by a Senator's employees could create the perception of a conflict of interest, because Senate employees may not make political contributions to their employer, but the employees may nonetheless pay dues to a union that, in turn, contributes to that employer. The commenter further argued that, if a Senator's employees are permitted to organize, they may develop conflicting loyalties that could render them politically incompatible with the Senator for whom they work. The commenter contended that it would be an unfair labor practice for an employer to discharge an employee because of union affiliation even if that union affiliation led to political incompatibility, thus allegedly eviscerating section 502 of the CAA (which is said to authorize an employing office to discharge an employee based on such incompatibility). Finally, the commenter asserted that, if employees of Senators' offices are granted the right to organize, they will be the only employees of Federal elected officials who are organized.

The commenter also took the position that the concerns stated regarding union organization in Senators' personal offices are equally applicable to employees in Senate leadership and committee offices. The commenter further asserted that employees in offices under the jurisdiction of the Secretary of the Senate (Offices of the Parliamentarian, Bill Clerk, Legislative Clerk, Journal Clerk, Executive Clerk, Enrolling Clerk, Official Reporters of Debate, Daily Digest and Printing Services, Office of Senate Chief Counsel for Employment) should be excluded from coverage because they allegedly occupy confidential positions that are integral to the Senate's constitutional functions. The commenter also asserted that employees in the Office of the Senate Chief Counsel for Employment should be excluded because attorneys in that office will engage in labor negotiations on behalf of management in Senate offices and because all employees in the office have access to privileged and confidential information. The commenter similarly stated that employees in the Office of the Legislative Counsel and the Office of the Senate Legal Counsel should be excluded because they have direct access to privileged and confidential information relating to the constitutional functions of the Senate.

Finally, the commenter contended that, pursuant to 220(e)(2)(H), employees in four other offices should be subject to a blanket exclusion. Employees in the Executive Office of the Secretary of the Senate, because they are privy to confidential information about both the legislative functions of the Senate and the labor management policies of the Office of the Secretary; employees in the Office of Senate Security, because they have access to highly sensitive and confidential information relating to the constitutional responsibilities of the Senate, as well as to matters of national security; employees in the Senate Disbursing Office, because they have access to confidential financial information that could enhance a union's bargaining position; and employees in the Administrative Office of the Sergeant at Arms, because they have access to confidential information about the office and the Senate.

III. Notice of Proposed Rulemaking

In developing its proposed regulations, the Board has carefully considered both its responsibilities under section 220(e) and the two directly contradictory comments that the Board received concerning the regulations that it must issue. For the reasons that follow, the Board's judgment is that a blanket exclusion of *all* of the employees in the section 220(e)(2) offices is not ''required'' under the stated statutory criteria. But the Board will propose regulations that *allow* the exclusion issue to be raised with respect to any particular employee in any particular case. The Board also urges commenters who support any categorical exclusions, in commenting on these proposed regulations, to explain why particular jobs or job duties require exclusion of particular employees so that the Board may exclude them by regulation, where appropriate. Through this initial regulation and any categorical exclusions that may appropriately be included in its final regulations, the Board intends to carry out its statutory responsibility under section 220(e) to exclude employees from coverage where required, and to make changes in the FLRA's regulations where necessary.

A. Section 220(e)(1)(A)

Section 220(e)(1)(A) authorizes the Board to modify the FLRA's regulations ''to the extent that the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under [section 220(e)].'' No commenter took the position that there was good cause to modify the FLRA regulations for more effective implementation of section 220(e). Equally important, no commenter took the position that a blanket exclusion of *all* of the covered employees in any of the section 220(e) offices would be ''more effective for the implementation of the rights and protections under [section 220(e)].'' And, at present, the Board has not independently found any basis to exercise its authority to modify the FLRA regulations for more effective implementation of section 220(e). The Board therefore does not propose to issue separate regulations pursuant to section 220(e)(1)(A)—that is, except as to employees whose exclusion from coverage under section 220 is required, the Board proposes that the regulations that it issues under section 220(d) will apply to employing offices, covered employees, and their representatives under section 220(e).

B. Section 220(e)(1)(B)

Section 220(e)(1)(B) provides that the Board ''shall exclude from coverage under [section 220] any covered employees in [section 220(e)(2) offices] if the Board determines that such exclusion is required because of—

(i) a conflict of interest or appearance of a conflict of interest; or

(ii) Congress' constitutional responsibilities.''

The question here for resolution, then, is to what extent the Board should exclude covered employees in the section 220(e)(2) offices from coverage.

1. The statutory language and legislative history indicate that exclusions are proper only where ''required'' by the stated statutory criteria

Section 220(e)(1)(B) states that the Board ''shall'' exclude any covered employee of a section 220(e)(2) office where such exclusion is ''required'' by the stated statutory criteria. The statutory specification that the exclusion be ''required'' by Congress' constitutional responsibilities or a conflict of interest is telling. In this context, the term ''required'' means ''insist[ed] upon usu[ally] with certainty and urgency.'' *See* Webster's Third New International Dictionary (1986); *see also* Black's Law Dictionary (4th ed. 1968) (''direct[ed], order[ed], demand[ed], instruct[ed], command[ed]''). Thus, merely being helpful to or in furtherance of the stated statutory criteria is insufficient; rather, the exclusion must be *necessary* to the conduct of Congress's constitutional responsibilities or to the avoidance of a conflict of interest (real or apparent).

Although legislative history should always be consulted with due care and regard for its limitations, the scant legislative history directly attached to section 220(e)(1)(B) here appears to confirm that exclusions are proper only where necessary to achieve the stated statutory criteria. *See* 141 Cong. Rec. S626 (section-by-section analysis of CAA). What is now section 220(e) was added to a predecessor to the CAA in October 1994 in the Senate Governmental Affairs Committee. The Committee's Report explains that this provision was added in response to several Members' concerns that the application of labor laws to the legislative offices might interfere with Congress' ability to fulfill its constitutional functions: ''For example, there was a

concern that, if legislative staff belonged to a union, that union might be able to exert undue influence over legislative activities or decisions. Even if such a conflict of interest between employees' official duties and union membership did not actually occur, the mere appearance of undue influence or access might be very troubling. Furthermore, there is a concern that labor actions could delay or disrupt vital legislative activities.'' [S. Rep. No. 397, 103d Cong., 2d Sess. 8 (1994).]

The Report went on to explain that the proposed bill addressed the Members' concerns in two ways: First, rather than applying the National Labor Relations Act (''NLRA'') to Congress, the bill would apply chapter 71 whose ''provisions and precedents . . . address problems of conflict of interest in the governmental context and . . . prohibit strikes and slowdowns.'' Second, ''as an extra measure of precaution,'' the bill would not apply to the section 220(e)2) offices ''until the Board has conducted a special rulemaking to consider such problems as conflict of interest.'' *Id.* at 8.

The above-described Senate Report does not reveal—either expressly or implicitly—any congressional expectation that exclusions would necessarily result as a consequence of the Board's special rulemaking. Instead, the Report explains that the concerns of several Members were principally addressed by the incorporation of chapter 71 (rather than the NLRA) in the bill and that, ''as an extra measure of precaution,'' the Board should consider in a special rulemaking whether application of even chapter 71 to employees in section 220(e) would defeat Congress' responsibilities or cause insoluble conflicts of interest (real or apparent). *See* 141 Cong. Rec. S444–45 (remarks of Senator Grassley). Indeed, the section-by-section analysis of the bill that became the CAA states that section 220(e) should not be construed as ''a standard license to roam far afield from [the] executive regulations.'' *See* 141 Cong. Rec. S626.

The legislative materials suggest that section 220(e) requires the Board to exclude employees in section 220(e)(2) offices only where ''required'' by the statutory criteria—*i.e.*, where exclusion is *necessary* to the accomplishment of the statutory criteria. The legislative materials leave no room for the exclusion of covered employees in the absence of a demonstrated and substantial need for doing so.

2. Exclusion of all employees in section 220(e) offices is not required by Congress' constitutional responsibilities or concerns about real or apparent conflicts of interest

On the basis of the comments received to date, the Board is unable to find a demonstrated and substantial need for the blanket exclusion of *all* employees in the section 220(e)(2) offices. Such a blanket exclusion of *all* covered employees does not appear to be required by either Congress' constitutional responsibilities or any real or apparent conflicts of interest.

a. Exclusion is not necessitated by Congress' constitutional responsibilities

The key premise of the commenter's argument that exclusion of *all* section 220(e)(2) office employees is required by Congress' constitutional responsibilities is the assertion that collective bargaining rights for section 220(e) employees are categorically inconsistent with the effective functioning of the Legislative Branch. But the legislative judgment embodied in chapter 71 is that collective bargaining rights are entirely consistent with—and, indeed, enhance—the efficient and effective functioning of the Executive Branch. *See* 5 U.S.C. §7101. More to the point, the legislative judgment in chapter 71 is that collective bargaining is consistent with—and, indeed, supportive of—the Executive Branch's fulfillment of the President's constitutional responsibility faithfully to execute the laws of the United States. The Board has not yet been presented with any facts or legal argument that would support a determination that, in contrast to the situation in the Executive Branch, *all* employees of the section 220(e)(2) offices must be excluded from collective bargaining in order for the Legislative Branch to be able to fulfill its constitutional charge.

For example, although the commenter asserts that, if a Senator is required to bargain with his or her employees' union, the employees' union will obtain an undue advantage in the legislative process by dint of its members' special access to the Senator and its members' influence over the Senator's legislative positions, the Board does not believe that a Senator can be brought to his constitutional knees so easily. The commitment of our Nation's elected representatives to the performance of their constitutional duties is great; and, access or no access by unions, it must be presumed that out elected representatives will carry out their constitutional responsibilities with fervor. Moreover, it must also be recognized that, in doing so, our elected representatives will be supported by many employees who simply do not have the right to organize. Supervisors—defined as individuals with authority to hire, direct, assign, promote, reward, transfer, furlough, layoff, recall, suspend, discipline, or remove employees, or to adjust their grievances, or to effectively recommend such action—are not even covered by chapter 71 as applied by the CAA. *See* sections 7103(a)(2)(iii) and 7103(a)(10). Likewise, management officials—defined as individuals in positions whose duties and responsibilities require or authorize the individual to formulate, determine, or influence the policies of their employer—are not covered. *See* sections 7103(a)(2)(iii) and 7103(a)(11). Furthermore, confidential employees—defined as employees who act in a confidential capacity with respect to individuals who formulate or effectuate management policies in the field of labor-management relations—and employees engaged in personal work are not covered. *See* sectons 7112(b)(2),(3) and 7103(a)(13). Finally, employees whose participation in the management of a labor organization or whose representation of a labor organization results in a conflict or apparent conflict of interest or is otherwise incompatible with law or with official job duties are not covered. *See* section 7120(e). Cumulatively, these exclusions undermine the claim that *all* employees of a section 220(e)(2) office—including secretaries and messengers—must be excluded from coverage in order for the Legislative Branch to fulfill its constitutional charge; to the extent that a union obtains access, it will be on behalf of employees who are *not* at the center of the Senator's management core.

The commenter supporting blanket exclusion of all employees in certain section 220(e)(2) office also argued that, absent such an exclusion, a Senator's employees would be able to influence a Senators' legislative position of exchange for concessions at the bargaining table. This argument, however, ignores the fact that, for those employees not exempted (such as certain secretaries and messengers), chapter 71 provides only a limited set of labor relations rights. Once organized, employees may bargain about their conditions of employment. But they may not bargain about matters ''specifically provided for by Federal statute,'' a category which includes *inter alia* a number of restrictions on pay, health insurance, and retirement benefits for legislative employees. *See* section 7102(2), 7103(a)(12), 7103(a)(14)(C). Moreover, they may only bargain about their ''terms and conditions of employment''; *their Senator's legislative positions are not properly on the table.* And in the event that nonexempt employees in section 220(e)(2) offices fail to come to terms with an employing office about their terms and conditions of employment, the employees do not have their principle coercive weapons that organized labor uses to further its employment goals, *see Allis Chalmers* v. *NLRB*, 388 U.S. 175 (1967), because they lack the right to strike or slow down. *See* sections 7103(a)(2)(v), 7311. These limitations make it clear that exclusion of *all* employees in a section 220(e)(2) office (such as certain secretaries and messengers) is not necessary to prevent the allegedly improper influence that concerns the commenter; and they make self-evident that such a blanket exclusion of *all* section 220(e)(2) office employees is not required by Congress' constitutional responsibilities.

The commenter supporting blanket exclusion of *all* employees in section 220(e)(2) offices further argued that all members of a Senator's staff—no matter how routine their job duties—are privy to inside information about the Senator, including information about the Senator's legislative positions. The commenter expressed a concern that a Senator's organized employees might reveal this confidential information to their union and that a union might then use the confidential information to exert improper influence on the Senator and thus on the legislative process. The commenter also feared that a Senator's organized employees would not wholeheartedly perform their duties if the Senator were to take a position inimical to the interests of unions. But, again, these concerns are not sufficient to justify blanket exclusions, if only because they can be addressed by other means.

The confidentiality of information and loyal performance of duties can be ensured without exclusion of *all* section 220(e)(2) office employees. Nothing in federal law, and certainly nothing in chapter 71 or the CAA, limits a Member's right to establish neutral work rules designed to assure productivity, discipline, and confidentiality and to discipline and/or discharge any employee who violates those rules. An employee who violates one of these work rules may be discharged *for that reason*.

This point answers the commenter's argument that categorical exclusion is necessary because a Senator would not be able to discharge or discipline an employee who leaks confidential information, or one who openly and actively supports legislation that the Senator opposes. If the Senator had in place and enforced a work rule neutrally forbidding conduct without regard to the employee's union membership or activity (so long as the employee's constitutional rights were not violated). The Senator would only violate section 220 of the CAA if he or she simply forbid inconsistent conduct that related to union membership or activities or enforced a facially neutral rule in a discriminatory manner. Exclusion of *all* covered employees is thus not ''required'' to address the confidentiality and loyalty concerns that have been advanced here.

b. Exclusion of all employees in section 220(e)(2) offices is not ''required'' by any real or apparent conflicts of interest

Nor is the Board prepared at this point to accept the argument that blanket exclusion of *all* employees in section 220(e)(2) offices is ''required'' to avoid conflicts of interest, real or apparent. The exclusions in chapter 71 for supervisory, confidential and other such employees are sufficient to take care of most potential conflict of interest questions created by employee organization; indeed, chapter 71 itself allows exclusion of employees

with additional insoluble conflicts of interest. While the Board is prepared to exclude appropriate categories of employees where required by conflicts of interest, the suggestion that *all* employees in section 220(e)(2) offices must be excluded because of such alleged conflicts does not appear well-founded.

The commenter expressed a fear that organized employees would necessarily have a loyalty to the union and to union goals that would be inconsistent with loyal service to a Member and to his or her legislative positions. There may indeed be such tensions and potential conflicts that arise from union membership of covered employees. But such tensions and conflicts also arise in connection with a covered employee's membership and participation in other special interest groups, such as the Sierra Club, the National Rifle Association, the National Right to Work Foundation, or the National Organization of Women. Indeed, an employee's outside associations—whatever they may be—all give rise to a possible tension between the employee's interests and loyalties (as expressed by outside associations) and the Member's legislative positions. Nonetheless, Congress has not imposed a blanket prohibition on employee membership and participation in outside associations; and, under chapter 71, the tensions and potential conflicts that arise in connection with union membership have not been enough to justify a blanket exclusion of all employees from organization in the Executive Branch. While the Board is prepared to consider whether such associations might preclude organization rights for particular employees in particularly sensitive positions, it cannot accept the suggestion that the possible tensions between employee interests and loyalties and Member positions ''requires'' the blanket exclusion of *all* employees in section 220(e)(2) offices; there are surely less restrictive means for mitigating these potential conflicts for many, if not all, of the employees of section 220(e)(2) offices.

The commenter also asserted that exclusion of all employees is required by an apparent conflict of interest for Members voting on legislation that affects unions: according to the commenter, if the Members support the legislation, they may be perceived as caving to union pressure; if they oppose it, they may be perceived as attempting to enhance their bargaining positions with the union; in either instance, they would *not* be perceived as serving their constituents. But this situation does not appear to differ from that faced by the President when he or Executive Branch officials acting on his behalf take a position on pending labor legislation. That apparent conflict is inherent to employee organization in the public sector; and yet chapter 71 reflects a judgment that this apparent conflict does not require the categorical exclusion of all employees from collective organization. The judgment in chapter 71, which Congress incorporated by reference in the CAA, prevents the Board from accepting any argument that this apparent conflict *requires* exclusion of all employees in a section 220(e)(2) office.

Indeed, with respect to both alleged conflicts of interest, the Board finds it significant that, in chapter 71's statement of congressional findings and purpose, Congress expressly found that ''labor organizations and collective bargaining in the civil service are in the public interest'' because they ''safeguard[] the public interest,'' ''contribute[] to the effective conduct of public business,'' and ''facilitate[] and encourage[] the amicable settlements of disputes between employees and their employers involving conditions of employment. *See* Section 7101. Section 220(e)(1) of the CAA instructs the Board to hew as closely as possible to ''the provisions and purposes of chapter 71.'' In doing so, the Board has no choice but to reject the proposition that *all* employees in a section 220(e)(2) office must be excluded from coverage because of a real or apparent conflict that their organization would create for their Member of Congress. The premise of chapter 71, and thus the CAA, is that employees in unions may loyally serve government employees and that the public will not view government acts in response to union demands as illegitimate responses to union pressure.

3. Proposed regulations under section 220(e)(1)(B)

For these reasons, the Board does not propose to issue regulations that grant blanket exclusion of all employees in any of the section 220(e)(2) offices. In the Board's judgment, the issuance of blanket exclusions from the application of section 220 for *all* employees in section 220(e)(2) offices would represent a significant departure from the overall purposes and policies of the CAA. The Board would promptly take that step if it were necessary because of a conflict of interest (real or apparent) or Congress' constitutional responsibilities. But no necessity has been shown or yet been found for the exclusion of all employees in section 220(e)(2) offices.

The Board further notes that no commenter took the position that there were job duties of employees within section 220(e)(2) offices that required application of section 220(e)(1)(B)'s exception to coverage; *a fortiori*, no comments provided the Board with any facts or legal argument in support of the issuance of regulations providing that employees in section 220(e)(2) offices who perform certain job duties are not covered by section 220. For this reason, the Board does not propose to issue any such regulations at this time. Of course, the Board stands ready to use its rulemaking authority to propose and issue such regulations when and if the Board is presented with facts and legal argument demonstrating that the application of section 220(e)(1)(B) to employees performing particular job duties in ''required.'' The Board again urges commenters to provide the Board with such information and authorities.

The commenter supporting blanket exclusion of all employees in section 220(e)(2) offices argued that, pursuant to its power under section 220(e)(2)(H), the Board should propose regulations (i) adding the Executive Office of the Secretary of the Senate, the Office of Senate Security, the Senate Disbursing Office, and the Administrative Office of the Sergeant at Arms to the statutory list of section 220(e)(2) offices, and (ii) granting a blanket exclusion of all covered employees in these offices. By its analysis above, the Board has effectively rejected the argument that any offices, including these four, are entitled to blanket exclusion of all of their employees from application of section 220. The Board agrees, however, with the commenter's assertion that employees in these offices perform functions ''comparable'' to those performed by employees in the other section 220(e)(2) offices, and thus the Board proposes, pursuant to section 220(e)(2)(H), to treat these offices as section 220(e)(2) offices for all purposes, including the determination of the effective date of sections 220(a) and (b). For all other offices—that is, all offices that are not either listed in section 220(e)(2) or defined as section 220(e)(2) offices here—the effective date of sections 220(a) and (b) is October 1, 1996.

No commenter took the position that the Board should adopt a regulation authorizing parties and/or employees in appropriate proceedings to assert, and the Board to decide, where appropriate and relevant, that a covered employee employed in a section 220(e)(2) office is required to be excluded from coverage under section 220(e) because of a conflict of interest (real or apparent) or because of Congress' constitutional responsibilities. The Board, however, proposes to issue such a regulation. By doing so, the Board intends to ensure that an exclusion may be provided where the law and the facts require it. The proposed regulation of the Board allows the issue of exclusions under section 220(e)(1)(B) to be raised and decided on a case-by-case basis.

IV. Method of Approval

The Board recommends that (1) the version of the proposed regulations that shall apply to the Senate and employees of the Senate be approved by the Senate by resolution; (2) the version of the proposed regulations that shall apply to the House of Representatives and employees of the House of Representatives be approved by the House of Representatives by resolutions; and (3) the version of the proposed regulations that shall apply to other covered employees and employing offices be approved by the Congress by concurrent resolution.

Signed at Washington, D.C. on this 22 day of May, 1996.

GLEN D. NAGER,
Chair of the Board,
Office of Compliance.

§ 2472. Specific regulations regarding certain offices of Congress

§ 2472.1. Purpose and Scope

The regulations contained in this section implement the provisions of chapter 71 as applied by section 220 of the CAA to covered employees in the following employing offices:

(A) the personal office of any Member of the House Representatives or of any Senator;

(B) a standing select, special, permanent, temporary, or other committee of the Senate or House of Representatives, or a joint committee of Congress;

(C) the Office of the Vice President of the Senate), the Office of the President pro tempore of the Senate, the Office of the Majority Leader of the Senate, the Office of the Minority Leader of the Senate, the Office of the Majority Whip of the Senate, the Conference of the Majority of the Senate, the Conference of the Minority of the Senate, the Office of the Secretary of the Conference for the Majority of the Senate, the Office of the Secretary for the Minority of the Senate, the Majority Policy Committee of the Senate, the Minority Policy Committee of the Senate, and the following offices within the Office of the Secretary of the Senate: Offices of the Parliamentarian, Bill Clerk, legislative Clerk, Journal Clerk, Executive Clerk, Enrolling Clerk, Official Reporters of Debate, Daily Digest, Printing Services, Captioning Services, and Senate Chief Counsel for Employment.

(D) the Office of the Speaker of the House of Representatives, the Office of the Majority Leader of the House of Representatives, the Office of the Minority Leader of the House of Representatives, the Offices of the Chief Deputy Majority Whips, the Offices of the Chief Deputy Minority Whips, and the following offices within the Office of the Clerk of the House of Representatives: Offices of Legislative Operations, Official Reporters of Debate, Official Reports to Committees, Printing Services, and Legislative Information;

(E) the Office of the Legislative Counsel of the Senate, the Office of the Senate Legal Counsel, the Office of the Legislative Counsel of the House Representatives, the Office of the General Counsel of the House of Representatives, the Office of the Parliamentarian of the House of Representatives, and the Office of the Law Revision Counsel;

(F) the offices of any caucus or party organization;

(G) the Congressional Budget Office, the Office of Technology Assessment, and the Office of Compliance; and;

(H) the Executive Office of the Secretary of the Senate, the Office of Senate Security, the Senate Disbursing Office and the Administrative Office of the Sergeant at Arms.

§ 247.2. Application of Chapter 71

(a) The requirements and exemptions of chapter 71 of title 5, United States Code, as made applicable by section 220 of the CAA, shall apply to covered employees who are employed in the offices listed in section 2472.1 in the same manner and to the same extent as those requirements and exemptions are applied to other covered employees.

(b) The regulations of the Office, as set forth at sections 2420–29 and 2470–71, shall apply to the employing offices listed in section 2472.1, covered employees who are employed in those offices and representatives of those employees.

§ 2472.3. Exclusion from coverage

Notwithstading any other provision of these regulations, any covered employee who is employed in an office listed in section 2472.1 shall be excluded from coverage under section 220 if it is determined in an appropriate proceeding that such exclusion is required because of (a) a conflict of interest or appearance of a conflict of interest, or (b) Congress' constitutional responsibilities.

EXECUTIVE COMMUNICATIONS, ETC.

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

3144. A letter from the Deputy Secretary of Defense, transmitting notification that the report required by section 365(a) of Public Law 104–106 will be transmitted to Congress no later than September 1, 1996; to the Committee on National Security.

3145. A letter from the Director, Office of Management and Budget, transmitting OMB's estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 2002 resulting from passage of H.R. 2024 and H.R. 2243, pursuant to Public Law 101–508, section 13101(a) (104 Stat. 1388–582); to the Committee on the Budget.

3146. A letter from the Chair, Federal Energy Regulatory Commission, transmitting the 1995 annual report of the Federal Energy Regulatory Commission, pursuant to 16 U.S.C. 797(d); to the Committee on Commerce.

3147. A letter from the Secretary, Federal Trade Commission, transmitting the Commission's final rule—Guides for the Metalic Watch Band Industry and Guides for the Jewelry Industry—received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3148. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to the Netherlands for defense articles and services (Transmittal No. 96–50), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

3149. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to the Taipei Economic and Cultural Representative Office [TECRO] in the United States for defense articles and services (transmittal No. 96–48), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

3150. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for production of major military equipment with Japan (Transmittal No. DTC–30–96), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

3151. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's report on nuclear nonproliferation in South Asia for the period of October 1, 1995, through March 31, 1996, pursuant to 22 U.S.C. 2376(c); to the Committee on International Relations.

3152. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to Greece for defense articles and services (Transmittal No. 96–49), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

3153. A communication from the President of the United States transmitting notification that on May 19, 1996, heavy fighting broke out between government forces and mutinous troops in the capital city of Bangui, Central African Republic, and that on May 20, 1996, the deployment of United States military personnel was ordered to conduct the evacuation from the Central African Republic of private United States citizens and certain United States Government employees (H. Doc. No. 104–220); to the Committee on International Relations and ordered to be printed.

3154. A letter from the Chairwoman, National Mediation Board, transmitting the fiscal year 1995 annual report under the Federal Managers' Financial Integrity Act [FMFIA] of 1982, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

3155. A letter from the Secretary of the Treasury, transmitting the fiscal year 1995 annual report under the Federal Managers' Financial Integrity Act [FMFIA] of 1982, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

3156. A letter from the Director, Office of Surface Mining, transmitting the Office's final rule—Indiana Regulatory Program (recodification of State law) [IN–132–FOR] received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3157. A letter from the Director, Office of Surface Mining, transmitting the Office's final rule—Texas Regulatory Program (road systems and others) [TX–029–FOR] received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3158. A letter from the Director, Office of Surface Mining, transmitting the Office's final rule—Indiana Regulatory Program (remaining and others) [IN–133–FOR] received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3159. A letter from the Director, Office of Surface Mining, transmitting the Office's final rule—Hopi Tribe Abandoned Mine Land Reclamation Plan [HO–003–FOR] received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3160. A letter from the Director, Office of Surface Mining, transmitting the Office's final rule—Missouri Regulatory Program (revegetation success guidelines) [MO–025–FOR] received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3161. A letter from the Director, Office of Surface Mining, transmitting the Office's final rule—Missouri Regulatory Program (state alternative bonding system and others) [MO–026–FOR] received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3162. A letter from the Director, Office of Surface Mining, transmitting the Office's final rule—Oklahoma Abandoned Mine Land Reclamation Plan (eligible lands and waters, and others) [OK–-15–FOR] received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3163. A letter from the Director, Office of Surface Mining, transmitting the Office's final rule—Indiana Regulatory Program (subsidence control) [IN–112–FOR] received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3164. A letter from the Director, Office of Surface Mining, transmitting the Office's final rule—New Mexico Regulatory Program (definitions and others) [NM–036–FOR] received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3165. A letter from the Director, Office of Surface Mining, transmitting the Office's final rule—Colorado Regulatory Program (definitions and others) [CO–029–FOR] received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3166. A letter from the Director, Office of Surface Mining, transmitting the Office's final rule—Virginia Regulatory Program (coal waste) [VA–105] received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3167. A letter from the Director, Office of Surface Mining, transmitting the Office's final rule—Illinois Regulatory Program (termination of jurisdiction and others) [IL–089–FOR] received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3168. A letter from the Director, National Legislative Commission, The American Legion, transmitting a copy of the Legion's financial statements as of December 31, 1995, pursuant to 36 U.S.C. 1101(4) and 1103; to the Committee on the Judiciary.

3169. A letter from the Director, Federal Emergency Management Agency, transmitting notification that funding under title V of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, may exceed $5 million for the response to the emergency declared as a result of the extreme fire hazard in the State of Texas dating back to February 23, 1996, pursuant to 42 U.S.C. 5193(b)(3); to the Committee on Transportation and Infrastructure.

3170. A letter from the Secretary of Transportation, transmitting the Department's report entitled ''Report To Congress: Products Used For Airport Pavement Maintenance And Rehabilitation,'' pursuant to the Federal Aviation Administration Authorization Act of 1994; to the Committee on Transportation and Infrastructure.

3171. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Veterans and Dependents Education: Miscellaneous (RIN 2900–AH60) received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

3172. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Determination of Interest Rate (Revenue Ruling 96–28) received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3173. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Definitions Relating to Corporate Reorganizations (Revenue Ruling 96–29) received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3174. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting

the Service's final rule—Distribution of Stock and Securities of a Controlled Corporation (Revenue Ruling 96–30) received May 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3175. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting a report on allocation of funds the executive branch intends to make available from funding levels established in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996; jointly, to the Committees on Appropriations and International Relations.

3176. A letter from the Secretary of Health and Human Services, transmitting the Secretary's evaluation of the Medicare select demonstration, that is, a Medicare supplemental insurance product limited to 15 States for 3 years, effective January 1, 1992, pursuant to section 4358(d) of the Omnibus Budget Reconciliation Act of 1990; jointly, to the Committees on Commerce and Ways and Means.

3177. A letter from the Chair of the Board, Office of Compliance, transmitting notice of proposed rulemaking for publication in the CONGRESSIONAL RECORD, pursuant to Public Law 104–1, section 304(b)(1) (109 Stat. 29); jointly, to the Committees on House Oversight and Economic and Educational Opportunities.

3178. A letter from the Secretary of Health and Human Services, transmitting the Department's report entitled ''Report to Congress: Changes in Physician Participation, Assignment, and Extra Billing in the Medicare Program During 1994—ACTION,'' pursuant to section 1848(g)(6) of the Social Security Act; jointly, to the Committees on Ways and Means and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

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

Mrs. VUCANOVICH: Committee on Appropriations. H.R. 3517. A bill making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for fiscal year ending September 30, 1997, and for other purposes (Rept. 104–591). Referred to the Committee on the Whole House on the State of the Union.

Mr. GOODLING: Committee on Economic and Educational Opportunities. H.R. 2531. A bill to amend the Fair Labor Standards Act of 1938 to clarify the exemption for houseparents from the minimum wage and maximum hour requirements of that Act, and for other purposes; with an amendment (Rept. 104–592). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALKER. Committee on Science. H.R. 3060. A bill to implement the Protocol and Environmental Protection to the Antarctic Treaty (Rept. 104–593, Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mr. LIVINGSTON: Committee on Appropriations. Report on the Subdivision of Budget Totals for Fiscal Year 1997 (Rept. 104–594). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the Committees on International Relations and Resources discharged from further consideration. H.R. 3060 referred to the Committee of the Whole House on the state of the Union.

TIME LIMITATION OF REFERRED BILL

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

H.R. 3060. Referral to the Committees on International Relations and Resources extended for a period ending not later than May 23, 1996.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. BILBRAY:

H.R. 3518. A bill to amend the Clean Air Act to permit the exclusive application of State regulations regarding reformulated gas in certain areas; to the Committee on Commerce.

By Mr. BARTON of Texas:

H.R. 3519. A bill to amend the Clean Air Act; to the Committee on Commerce.

By Mr. GEPHARDT (for himself, Mr. BONIOR, Mr. BENTSEN, Mr. GEJDENSON, Mr. POMEROY, Mr. SAWYER, Mr. FAZIO of California, Mrs. KENNELLY, Mr. DINGELL, Mr. GIBBONS, Mr. CLAY, Mr. LAFALCE, Mr. OBERSTAR, Mr. DURBIN, Mr. JOHNSON of South Dakota, Mr. KENNEDY of Massachusetts, Mr. STARK, Mr. MATSUI, Mr. COYNE, Mr. LEVIN, Mr. MCDERMOTT, Mr. KLECZKA, Mr. LEWIS of Georgia, Mr. NEAL of Massachusetts, Mr. MILLER of California, Mr. WILLIAMS, Mr. ANDREWS, Mr. GREEN of Texas, Ms. WOOLSEY, Mr. FATTAH, Ms. DELAURO, Mr. MURTHA, Mr. OBEY, Mr. FROST, Mr. BROWN of California, Mr. YATES, Mr. GONZALEZ, Mr. STUDDS, Mr. MARKEY, Mr. RAHALL, Mr. VENTO, Mr. EVANS, Ms. KAPTUR, Mr. SPRATT, Mr. TORRES, Mr. TOWNS, Mr. WISE, Mr. KANJORSKI, Mr. THORNTON, Mr. COSTELLO, Ms. SLAUGHTER, Mrs. LOWEY, Mr. SERRANO, Mr. OLVER, Mr. FILNER, Mr. GUTIERREZ, Ms. HARMAN, Mr. HASTINGS of Florida, Mr. HOLDEN, Mrs. MEEK of Florida, Mr. SCOTT, Mr. STUPAK, Mrs. THURMAN, Ms. VELAZQUEZ, Mr. WYNN, Mr. BALDACCI, Ms. LOFGREN, Mr. FALEOMAVAEGA, and Mr. SANDERS):

H.R. 3520. A bill to provide for retirement savings and security; to the Committee on Ways and Means, and in addition to the Committees on Economic and Educational Opportunities, Government Reform and Oversight, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. BROWN of Florida:

H.R. 3521. A bill to amend title 10, United States Code, to repeal the requirement that amounts paid to a member of the Armed Forces under the Special Separation Benefits Program of the Department of Defense, or under the Voluntary Separation Incentive Program of that Department, to offset from amounts subsequently paid to that member by the Department of Veterans Affairs as disability compensation; to the Committee on National Security.

By Mrs. COLLINS:

H.R. 3522. A bill to amend title 23, United States Code, to ensure consideration of and planning for reuse or disposal of construction and demolition debris resulting from highway projects, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. GALLEGLY:

H.R. 3523. A bill to require the relocation of a National Weather Service radar tower which is on Sulphur Mountain near Ojai, CA; to the Committee on Science.

By Mr. GILMAN:

H.R. 3524. A bill to amend title 32, United States Code, to authorize the National Guard of a State, as part of a drug interdiction and counter-drug activities plan, to assist the Immigration and Naturalization Service in the transportation of aliens who have violated a Federal or State law prohibiting or regulating the possession, use, or distribution of a controlled substance; to the Committee on National Security.

By Mr. HYDE (for himself and Mr. CONYERS):

H.R. 3525. A bill to amend title 18, United States Code, to clarify the Federal jurisdiction over offenses relating to damage to religious property; to the Committee on the Judiciary.

By Mr. JOHNSON of South Dakota:

H.R. 3526. A bill to amend title 18, United States Code, with respect to transmission of wagering information; to the Committee on the Judiciary.

By Mr. KIM (for himself, Mr. BILBRAY, Mr. CUNNINGHAM, Mr. BONILLA, Mr. HORN, Mrs. SEASTRAND, Mr. BONO, Mr. DREIER, Mr. CALVERT, Mr. MCKEON, Mr. DOOLITTLE, and Mr. MOORHEAD):

H.R. 3527. A bill to provide financial assistance to Mexican border States for transportation projects that are necessary to accommodate increased traffic resulting from the implementation of the North American Free-Trade Agreement; to the Committee on Transportation and Infrastructure.

By Ms. LOFGREN:

H.R. 3528. A bill to require any department, agency, or instrumentally that contracts with the Federal Government to offer a health plan and pension plan; to the Committee on Government Reform and Oversight.

H.R. 3529. A bill to amend the Internal Revenue Code of 1986 to allow an individual who is entitled to receive child support a refundable credit equal to the amount of unpaid child support and to increase the tax liability of the individual required to pay such support by the amount of the unpaid child support; to the Committee on Ways and Means.

H.R. 3530. A bill to amend the Internal Revenue Code of 1986 to provide a deduction for legal expenses of individuals who bring sexual harassment suits against their employers; to the Committee on Ways and Means.

By Mr. MOORHEAD:

H.R. 3531. A bill to amend title 15, United States Code, to promote investment and prevent intellectual property piracy with respect to databases; to the Committee on the Judiciary.

By Mr. MORAN (for himself, Mr. HOYER, Mr. WYNN, Mr. HOLDEN, and Ms. NORTON) (all by request):

H.R. 3532. A bill to provide a temporary authority for the use of voluntary separation incentives by Federal agencies that are reducing employment levels, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. NADLER:

H.R. 3533. A bill to amend the Bank Protection Act of 1968 to require enhanced security measures sufficient to provide surveillance pictures which can be used effectively as evidence in criminal prosecutions, to amend title 28, United States Code, to require the Federal Bureau of Investigation to make technical recommendations with regard to such security measures, and for other purposes; to the Committee on Banking and Financial Services, and in addition to the Committee on the Judiciary, for a period to be

subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. RADANOVICH (for himself, Mr. COOLEY, Mr. CALVERT, Mrs. SEASTRAND, Mr. FARR, Mr. DOOLEY, and Mr. CONDIT):

H.R. 3534. A bill to authorize the Secretary of the Interior to renew certain permits in the Mineral King Addition of the Sequoia National Park and to protect historic and cultural resources in that National Park, and for other purposes; to the Committee on Resources.

By Mr. WYNN:

H.R. 3535. A bill to redesignate a Federal building in Suitland, MD, as the ''W. Edwards Deming Federal Building''; to the Committee on Transportation and Infrastructure.

By Mr. BARRETT of Nebraska (for himself, Mr. EMERSON, and Mr. LUCAS):

H. Con. Res. 181. Concurrent resolution expressing the sense of Congress that the Secretary of Agriculture should dispose of all remaining commodities in the disaster reserve maintained under the Agricultural Act of 1970 to relieve the distress of livestock producers whose ability to maintain livestock is adversely affected by the prolonged drought conditions existing in certain areas of the United States; to the Committee on Agriculture.

By Mr. KLINK (for himself, Mr. BATEMAN, Mr. BILIRAKIS, Mr. BLUTE, Mr. COYNE, Mr. DORNAN, Mr. DOYLE, Mr. ENGEL, Mr. FUNDERBURK, Mr. GREEN of Texas, Mr. HORN, Mrs. MALONEY, Mr. MATSUI, Mr. MEEHAN, Mr. MENENDEZ, and Mr. PALLONE):

H. Res. 441. Resolution calling upon, and requesting that the President call upon, all Americans to recognize and appreciate the historical significance and the heroic human endeavor and sacrifice of the people of Crete during World War II, and commending the PanCretan Association of America; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

219. The SPEAKER presented a memorial of the Senate of the State of Tennessee, relative to Federal funding for the Center for Applied Science and Technology for Law Enforcement [CASTLE]; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

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

H.R. 294: Mr. HOLDEN.
H.R. 295: Ms. KAPTUR.
H.R. 559: Mr. COYNE.
H.R. 580: Mr. STUPAK.
H.R. 820: Mr. BATEMAN, Mr. YATES, Mr. SCOTT, Mr. DEUTSCH, and Mr. LIPINSKI.
H.R. 878: Mrs. CLAYTON, Mr. TAYLOR of North Carolina, Mr. LAHOOD, Mr. CHRISTENSEN, Mr. SCHIFF, Mr. POSHARD, and Mr. COSTELLO.
H.R. 940: Mr. SKAGGS.
H.R. 973: Mr. MCDERMOTT.
H.R. 997: Mr. VENTO.
H.R. 1042: Mr. NORWOOD.
H.R. 1352: Mr. METCALF, Mr. NETHERCUTT, and Mr. BRYANT of Tennessee.
H.R. 1386: Mr. COMBEST.
H.R. 1500: Mr. WATT of North Carolina.
H.R. 1711: Mr. DEAL of Georgia, Mrs. VUCANOVICH, and Mr. HORN.
H.R. 1805: Mr. LAHOOD, Mr. CHRISTENSEN, and Mr. SMITH of New Jersey.
H.R. 1882: Mrs. MALONEY.
H.R. 1916: Ms. GREENE of Utah.
H.R. 1951: Mr. DEAL of Georgia.
H.R. 2009: Mr. MOAKLEY, Mr. MEEHAN, and Mr. MARKEY.
H.R. 2026: Mr. ORTON, Mr. GUTIERREZ, Ms. WATERS, Mr. MATSUI, Mr. ROEMER, Mr. FATTAH, Ms. JACKSON-LEE, Mr. OWENS, Ms. KAPTUR, Mr. WILLIAMS, Mr. FORD, Mr. CLEMENT, Ms. MCCARTHY, Mr. PETERSON of Florida, Mr. DOOLEY, Mrs. CLAYTON, Mr. HEFNER, Mr. KLECZKA, Mr. ABERCROMBIE, Mr. MARKEY, Mr. SKAGGS, Ms. LOFGREN, Mr. GRAHAM, Mr. HOUGHTON, Mr. SENSENBRENNER, Mr. HAYWORTH, Mr. KLUG, Mr. HALL of Texas, Mr. DICKEY, and Mr. HOSTETTLER.
H.R. 2214: Mr. ACKERMAN.
H.R. 2230: Mr. CUNNINGHAM, Mr. MCHUGH, Mr. WHITFIELD, Mr. DOOLITTLE, Mr. STUMP, and Mr. TAUZIN.
H.R. 2247: Mr. BLUTE, Mr. BUNN of Oregon, Mr. MCCOLLUM, Mr. MORAN, and Mr. SMITH of New Jersey.
H.R. 2270: Mr. PETE GEREN of Texas and Mr. HORN.
H.R. 2271: Mr. SCHUMER.
H.R. 2320: Mr. HORN, Mr. KING, and Mr. STUPAK.
H.R. 2421: Mr. GILMAN, Mr. KENNEDY of Massachusetts, and Mrs. MALONEY.
H.R. 2472: Ms. HARMAN, Mr. KENNEDY of Massachusetts, and Mr. BALDACCI.
H.R. 2508: Mr. DEAL of Georgia and Mr. PALLONE.
H.R. 2513: Mr. WELLER.
H.R. 2665: Mr. BALDACCI.
H.R. 2697: Mr. OBERSTAR, Mr. MILLER of California, Ms. RIVERS, Mr. PAYNE of Virginia, Mr. HASTINGS of Washington, Mr. LEACH, and Mr. GOODLING.
H.R. 2701: Mr. WAMP.
H.R. 2749: Mr. NORWOOD and Mr. SHUSTER.
H.R. 2776: Mr. PICKETT.
H.R. 2827: Mr. BROWN of Ohio.
H.R. 2911: Mr. MANZULLO.
H.R. 2986: Mr. FRANK of Massachusetts.
H.R. 3002: Mr. FRANK of Massachusetts and Mr. BACHUS.
H.R. 3052: Mr. COYNE, Mr. ACKERMAN, and Mr. PALLONE.
H.R. 3083: Mr. TAUZIN.
H.R. 3118: Ms. KAPTUR. Mr. FAZIO of California, and Mr. RAHALL.
H.R. 3142: Mr. STUPAK and Mr. MASCARA.
H.R. 3182: Mr. HASTERT and Mr. LATOURETTE.
H.R. 3187: Mr. SANDERS, Mr. ROSE, Mr. SPRATT, Mr. FRAZER, Mr. FROST, and Mr. HINCHEY.
H.R. 3226: Mr. JACOBS, Mr. NOORWOOD, Mr. BURTON of Indiana, Mr. FROST, Ms. WOOLSEY, Mr. GREEN of Texas, Mr. EVANS, Mr. HOYER, Mrs. SCHROEDER, Ms. MCKINNEY, Mrs. MINK of Hawaii, Mr. TORRES, and Mr. LEWIS of Georgia.
H.R. 3294: Mr. CLEMENT.
H.R. 3337: Mr. KLECZKA.
H.R. 3346: Mr. LEWIS of Georgia and Mr. GOSS.
H.R. 3386: Mr. DUNCAN and Mr. MANTON.
H.R. 3391: Mr. GRAHAM and Mr. TAUZIN.
H.R. 3392: Mr. VENTO, Ms. SLAUGHTER, and Ms. NORTON.
H.R. 3447: Mr. HAYES, Mr. FUNDERBURK, Mr. MCINTOSH, Mr. NEUMANN, Mr. METCALF, Mr. WELDON of Florida, and Mr. HORN.
H.R. 3452: Mrs. FOWLER and Mr. BLILEY.
H.R. 3458: Mr. WELLER and Mr. DEAL of Georgia.
H.R. 3466: Mr. KENNEDY of Massachusetts, Mr. LEWIS of Georgia, and Mr. WATT of North Carolina.
H.R. 3468: Mr. SCHAEFER, Mr. INGLIS of South Carolina, and Mr. BRYANT of Tennessee.
H.R. 3480: Mr. HAYES, Mr. BARRETT of Nebraska, and Mr. BEREUTER.
H.R. 3493: Mr. WELLER.
H.R. 3495: Mr. WELLER.
H.R. 3506: Mr. DEAL of Georgia and Mr. SCHAEFER.
H. Con. Res 47: Mr. TAYLOR of North Carolina and Mr. LAZIO of New York.
H. Con. Res. 155: Mr. DELLUMS.
H. Res. 263: Mr. SKEEN, Ms. LOFGREN, Ms. MCCARTHY, and Mr. LUTHER.
H. Res. 399: Mr. WATT of North Carolina and Mr. LAFALCE.
H. Res. 432: Ms. WOOLSEY, Mr. BARRETT of Wisconsin, Mr. MORAN, Mr. BALDACCI, Mr. MINGE, and Mr. MASCARA.
H. Res. 439: Mr. PORTMAN, Mr. HORN, Mr. KLUG, and Mr. SANDERS.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

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

H.R. 2740: Mr. DUNCAN.
H.R. 3024: Ms. McKinney.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 12 by Mrs. SMITH of Washington on House Resolution 373: Jack Quinn and Michael P. Forbes.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, SECOND SESSION

Vol. 142 WASHINGTON, THURSDAY, MAY 23, 1996 No. 74

Senate

The Senate met at 12 noon, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Dr. Mark Dever of the Capitol Hill Baptist Church, Washington, DC.

We are pleased to have you with us.

PRAYER

The guest Chaplain, Dr. Mark Dever, Capitol Hill Baptist Church, Washington, DC, offered the following prayer:

Let us pray: Lord God, as we begin the official business of the day in this place, we praise You for Your sustaining presence. We remember facing situations that we were certain we could not face, or having to face them, could not survive. Yet, by Your providence, we did. And so we begin this new day by praising You for Your sustaining presence, even in apparently hopeless situations.

We praise You, too, for Your sovereign reminder of Yourself, even through pain and disaster. We confess, Lord, that for all of our words about problems in our society we are too often quietly and wrongly proud of the prosperity of this Nation, feeling that we ourselves are sufficient explanations for all the good we see and know. So, Lord God, we praise You and thank You that You use the bounds of our abilities and troubles to remind us of the limits of our power. Do not leave us, Lord, in false beliefs about ourselves, and our roles here, or about You, and Your rightful claims on us.

When we are frustrated by injustices we cannot address, remind us, Lord, of the brevity of this life. And remind us of Your coming judgment: of its reality, its certainty, its inevitability, its finality.

When we are tempted to be selfish or indifferent to our work, remind us of the responsibility You have entrusted to us: to listen, to learn, to reflect, to pray, to legislate, to obey.

When we are tempted to pride in what we have done—when we see a bill passed, a program begun or ended, an initiative completed—and we feel something of the power of our office, remind us of our complete and utter dependence on You.

For Your glory, O Lord, restore this land. We know that we are not here finally to fulfill our own desires, or even the desires of our constituents. We know that we are put here to serve You. So, we pray that You would use us—use the business done in this place today, use our Government, use our Nation to display Your character, Your glory throughout all Your creation. We ask through Jesus Christ, our Lord. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, Senator LOTT of Mississippi, is recognized.

Mr. LOTT. Thank you very much, Mr. President.

SCHEDULE

Mr. LOTT. Mr. President, the Senate will immediately resume consideration of Senate Concurrent Resolution 57, the concurrent budget resolution, and will begin a series of consecutive rollcall votes on or in relation to the pending amendments.

Under agreement reached last night, the first series of votes will continue until 1 p.m. today. There will be no votes, as agreed to, between the hours of 1 and 2. However, the Senate will proceed with another series of legislative votes beginning at 2 o'clock today.

Senators are asked to remain in or around the Senate Chamber throughout these voting sequences in order to facilitate the disposition of amendments as quickly as possible. The first vote in both series will be 15 minutes in length, but all remaining votes will be limited to 10 minutes each. The Senate will complete action on the budget resolution during today's session—hopefully, by late afternoon.

I think we have already considered some 34 amendments. We still have, I guess, 10 or 12 votes that are likely and probably about 4 hours would be required to complete that.

So, if the Members would stay close to the floor and we work hard, I know the managers would appreciate it, and we can get this work done before late this afternoon.

Mr. President, I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from Nebraska.

Mr. EXON. While the acting majority leader is here, I would like to clarify a point or two, if I might.

First, I think most of us agree that there has been no one who is more cooperative in moving this thing forward than the ranking member of the Budget Committee.

When I left the floor last night before we adjourned, there had been a firm announcement that—I thought it was a firm announcement—that we would come in at 10 o'clock this morning, which fit in very well with this Senator's schedule, and I think the schedule of the Senate as a whole. I did not know until after the Senate had adjourned, nor was I contacted, about moving the time from 10 o'clock, as stated by the chairman of the committee to the whole Senate half an hour before that.

I would simply say that I wish we would follow the customary procedure. I think it is normal to check with the ranking member before you change times after it has been agreed to.

Following up on that, I must say that I understood that we could not work

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

Printed on recycled paper containing 100% post consumer waste

Tuesday night and we could not work Wednesday night, as we had planned to do, because of functions. Now we have lost, I think, 2 hours this morning that we could have used constructively.

I would simply say that at 4 o'clock this afternoon, for the information of the whole Senate, there will be a memorial service for the late, great Cece Zorinsky, the wife of the late great Senator from Nebraska, Senator Edward Zorinsky, in Senate Dirksen G–50, generally called the Senate auditorium. This Senator will make that affair whether I have to miss votes and abandon my responsibilities here.

But I would just inquire at this time, following that memorial service, we have some time between 5 and 6, I believe—and I want to attend that—the salute to Senator DOLE, which I think has been arranged by the acting majority leader and the minority leader, TOM DASCHLE. I would just like to inquire. I see the chairman of committee is here, also. We have an awful lot of interruptions, and I do not want to add to them. The only interruption I am suggesting is that one that I intend to carry out that I committed to a long, long time ago.

Mr. LOTT. Mr. President, if I could just respond briefly, the Senator has enumerated some of the problems we have been trying to deal with, and we will try to accommodate as many Senators as we can. We have very, very legitimate things to do. We had the memorial, as you know, for Admiral Boorda. We wanted to do that, and we certainly appreciate the Senator's feeling about Cece Zorinsky. That is what has been involved. We are just trying to accommodate everybody's schedule. I am finding out more and more. It gets pretty complicated.

Your point is well taken. We will continue to try to work with everybody, particularly the managers of the bill. We had some complications, and we did check with the leader. I realize it was late last night, but, again, we are just trying to help everybody.

Mr. EXON. You checked with the leader?

Mr. LOTT. Yes, sir. I believe we did.

Mr. EXON. I would simply say for the public that you checked with the Democratic leader.

Mr. LOTT. Yes.

Mr. EXON. The Democrat leader would have properly talked to me. He did not. I will talk to him about that.

Mr. LOTT. In his defense, we did it at the last minute, and maybe there just was not enough time or he could not find out. I do not know. But, again, we are just trying to accommodate everybody.

You and the chairman have done a great job trying to move this. It has been slow, but there have been a lot of interruptions that we just could not avoid. We want to keep the heat on today so that we can get through, hopefully, by 4 o'clock. If we could get started voting here right quick, maybe we could make it by 4 o'clock or 4:15 p.m. I would like to help you do that.

Mr. EXON. Let us seek the miracle.

Mr. DORGAN. Mr. President, if the Senator will yield just for the briefest of questions, I do not want to delay things, I say to Senator DOMENICI, but could the Senator indicate to us, if we finish these blocks of votes on this issue, what is anticipated on the Senate schedule beyond this issue?

Mr. LOTT. Beyond the budget resolution?

Mr. DORGAN. Yes.

Mr. LOTT. We are working on that. We will be communicating with the Democratic leadership. Senator DOLE will be here later this afternoon. We are looking at several items that could be done. We hope we can get those worked out and do them in a way so that they would not involve votes this afternoon. But the leader will be back. He will be here shortly, and he will comment on that.

I yield the floor, Mr. President.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, leader time is reserved.

CONCURRENT RESOLUTION ON THE BUDGET

The PRESIDING OFFICER. The Senate will now resume consideration of Senate Concurrent Resolution 57, which the clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 57) setting forth the congressional budget for the U.S. Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002.

The Senate resumed consideration of the concurrent resolution.

Pending:

Harkin (for Specter) amendment No. 4012, to restore funding for education, training, and health programs to a Congressional Budget Office freeze level for fiscal year 1997 through an across the board reduction in Federal administrative costs.

Bumpers amendment No. 4014, to eliminate the defense firewalls.

Thompson amendment No. 3981, to express the sense of the Senate on the funding levels for the Presidential Election Campaign Fund.

Murkowski amendment No. 4015, to prohibit sense of the Senate amendments from being offered to the budget resolution.

Simpson (for Kerrey) amendment No. 4016, to express the sense of the Senate on long term entitlement reforms.

Chafee/Breaux amendment No. 4018, in the nature of a substitute.

Feingold amendment No. 3969, to eliminate the tax cut.

Domenici (for McCain) amendment No. 4022, to express the sense of the Senate regarding Spectrum auctions and their effect on the integrity of the budget process.

Domenici (for Faircloth) amendment No. 4023, to express the sense of the Senate that any comprehensive legislation sent to the President that balances the budget by a certain date and that includes welfare reform provisions shall also contain to the maximum extent possible a strategy for reducing the rate of out-of-wedlock births and encouraging family formation.

Exon (for Roth) amendment No. 4025, to express the sense of the Senate regarding the funding of Amtrak.

Domenici amendment No. 4027 (to amendment No. 4012), to adjust the fiscal year 1997 non-defense discretionary allocation to the Appropriation Committee by $5 billion in budget authority and $4 billion in outlays to sustain 1996 post-OCRA policy.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I do want to say to my friend, Senator EXON, and other Senators who might have heard my comments yesterday about when we would meet today, it was not in the form of a unanimous-consent request, but I did intend and say to the Senator that we would start at 10. Actually, by the time the unanimous consent was proposed by our acting majority leader, forces beyond the Senator from New Mexico and Senator EXON went to work on it and it came out 12 o'clock, so I am very sorry about that. I had nothing to do with it, and I could not have prevented it, and I am not complaining. It is just that is the way it worked out.

Mr. President, I understand, and I think Senator EXON agrees, that the next amendment we are going to take up would be the Bumpers amendment. That is 4014 which would abolish the firewalls.

Mr. EXON. I say to my friend, we will get Senator BUMPERS here. It was our understanding—and maybe once again we missed communications—that the Senator from New Mexico was going to have an amendment.

Mr. DOMENICI. We are going to set aside for a while Specter-Harkin and my second-degree amendment, with the Senator's concurrence.

Mr. EXON. Yes. We are setting aside the amendment that we originally had informally intended to bring up. Is that right?

Mr. DOMENICI. I assume so. I am not sure we had, but nonetheless we can go to anyone that is ready. If Senator BUMPERS can get here——

Mr. EXON. In view of the fact that the schedule has been changed without anybody's false intention, I suggest the absence of a quorum.

Mr. DOMENICI. I agree.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 4012, AS MODIFIED

Mr. DOMENICI. Mr. President, I ask unanimous consent that I be permitted to modify my second-degree amendment in the form of technical changes to be considered when the Senate considers amendment 4012.

Mr. EXON. We have no objection.

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

Mr. DOMENICI. I send the modification to the desk.

The PRESIDING OFFICER. The amendment is so modified.

Mr. DOMENICI. I thank the Chair.

The amendment (No. 4012), as modified, is as follows:

On page 25, line 17, increase the amount by $1,700,000,000.

On page 25, line 18, increase the amount by $800,000,000.

On page 27, line 16, increase the amount by $300,000,000.

On page 27, line 17, increase the amount by $600,000,000.

On page 42, line 2, decrease the amount by $3,500,000,000.

On page 42, line 3, decrease the amount by $100,000,000.

On page 52, line 14, increase the amount by $5,000,000,000.

On page 52, line 15, increase the amount by $1,400,000,000.

Notwithstanding any other provision of this resolution, on page 52, line 15, the amount is deemed to be $270,923,000,000. On page 4, line 8, the amount is deemed to be $1,323,100,000,000.

On page 4, line 9, the amount is deemed to be $1,361,600,000,000.

On page 4, line 10, the amount is deemed to be $1,392,400,000,000.

On page 4, line 11, the amount is deemed to be $1,433,600,000,000.

On page 4, line 12, the amount is deemed to be $1,454,000,000,000.

On page 4, line 17, the amount is deemed to be $1,318,600,000,000.

On page 4, line 18, the amount is deemed to be $1,353,500,000,000.

On page 4, line 19, the amount is deemed to be $1,382,400,000,000.

On page 4, line 20, the amount is deemed to be $1,415,600,000.

On page 4, line 21, the amount is deemed to be $1,433,100,000,000.

On page 5, line 1, the amount is deemed to be $232,400,000,000.

On page 5, line 2, the amount is deemed to be $223,600,000,000.

On page 5, line 3, the amount is deemed to be $206,300,000,000.

On page 5, line 4, the amount is deemed to be $185,700,000,000.

On page 5, line 5, the amount is deemed to be $143,500,000,000.

On page 5, line 9, the amount is deemed to be $5,449,000,000,000.

On page 5, line 10, the amount is deemed to be $5,722,700,000,000.

On page 5, line 11, the amount is deemed to be $5,975,100,000,000.

On page 5, line 12, the amount is deemed to be $6,207,700,000,000.

On page 5, line 13, the amount is deemed to be $6,398,600,000,000.

On page 5, line 14, the amount is deemed to be $6,550,500,000,000.

On page 6, line 13, the amount is deemed to be $290,000,000,000.

On page 6, line 14, the amount is deemed to be $277,400,000,000.

On page 6, line 15, the amount is deemed to be $256,000,000,000.

On page 6, line 16, the amount is deemed to be $236,100,000,000.

On page 6, line 17, the amount is deemed to be $193,3400,000,000.

On p;age 6, line 18, the amount is deemed to be $155,400,000,000.

On page 9, line 22, the amount is deemed to be $14,900,000,000.

On page 11, line 22, the amount is deemed to be $16,700,000,000.

On page 11, line 23, the amount is deemed to be $16,800,000,000.

On page 13, line 17, the amount is deemed to be $3,700,000,000.

On page 13, line 18, the amount is deemed to be $3,100,000,000.

On page 15, line 17, the amount is deemed to be $21,500,000.

On page 17, line 16, the amount is deemed to be $12,800,000,000.

On page 17, line 17, the amount is deemed to be $11,000,000,000.

On page 19, line 16, the amount is deemed to be $8,100,000,000.

On page 19, line 17, the amount is deemed to be $2,400,000,000.

On page 21, line 16, the amount is deemed to be $42,600,000,000.

On page 21, line 17, the amount is deemed to be $39,300,000,000.

On page 23, line 15, the amount is deemed to be $9,900,000,000.

On page 23, line 16, the amount is deemed to be $10,800,000,000.

On page 29, line 10, the amount is deemed to be $193,200,000,000.

On page 29, line 11, the amount is deemed to be $191,500,000,000.

On page 31, line 3, the amount is deemed to be $232,400,000,000.

On page 31, line 4, the amount is deemed to be $240,300,000,000.

On page 38, line 8, the amount is deemed to be $13,700,000,000.

On page 39, line 25, the amount is deemed to be $282,800,000,000.

On page 40, line 1, the amount is deemed to be $282,800,000,000.

On page 40, line 7, the amount is deemed to be $289,400,000,000.

On page 40, line 8, the amount is deemed to be $289,400,000,000.

On page 40, line 14, the amount is deemed to be $293,200,000,000.

On page 40, line 15, the amount is deemed to be $293,200,000,000.

On page 40, line 21, the amount is deemed to be $294,700,000,000.

On page 40, line 22, the amount is deemed to be $294,700,000,000.

On page 41, line 3, the amount is deemed to be $298,900,000,000.

On page 41, line 4, the amount is deemed to be $298,900,000,000.

On page 41, line 10, the amount is deemed to be $303,400,000,000.

On page 41, line 11, the amount is deemed to be $303,400,000,000.

On page 41, line 17, the amount is deemed to be $348,234,000,000.

On page 41, line 18, the amount is deemed to be $351,240,000,000.

On page 41, line 19, the amount is deemed to be $348,465,000,000.

On page 41, line 20, the amount is deemed to be $349,951,000,000.

On page 41, line 21, the amount is deemed to be $351,311,000,000.

On page 41, line 22, the amount is deemed to be $352,765,000,000.

On page 42, line 8, the amount is deemed to be $200,000,000.

On page 42, line 9, the amount is deemed to be $100,000,000.

On page 42, line 15, the amount is deemed to be $400,000,000.

On page 42, line 16, the amount is deemed to be $300,000,000.

On page 42, line 22, the amount is deemed to be $800,000,000.

On page 42, line 23, the amount is deemed to be $800,000,000.

On page 43, line 5, the amount is deemed to be $1,200,000,000.

On page 43, line 6, the amount is deemed to be $1,100,000,000.

On page 43, line 12, the amount is deemed to be $3,700,000,000.

On page 43, line 13, the amount is deemed to be $3,700,000,000.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate immediately upon the arrival of Senator THOMPSON proceed to the Thompson amendment No. 3981.

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

Mr. DOMENICI. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, the Senator from Nebraska will not interrupt anyone offering an amendment, but I ask I may be allowed to continue for about 3 minutes as in morning business.

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

THE INTERNET

Mr. EXON. Mr. President, I was just reading parts of my mail that came in. I wanted to call the attention of the Senate to a very interesting letter I just received from Charlie Brogan, president of the Nebraska Broadcasters Association, from Lexington, NE. He writes and says:

> I thought about you this week when my daughter brought home the enclosed set of rules about Internet use. She's a second grader in Sandoz School in Lexington. Her teacher, Dianne Yeutter, spent a considerable amount of time with the children on the proper use of the Internet.
>
> Maybe all segments of the nation don't appreciate the seriousness of the Internet pornography problem, but people like you and I with children and grandchildren certainly understand it very well.

I thought his daughter's note was very interesting. It is brief.

> Internet is fun and helpful when you need to research information for reports. However, we are concerned about certain things. Don't use the Internet unless you know what you're doing and where you're going. We not only have to ask Mrs. Yeutter permission to use the Internet but she always asks where we're going. She is in the room when we use the Internet. One or two clicks of the mouse can be powerful. They can take you to places where you shouldn't go. For example, you can get into big trouble by buying stuff you don't want. You can click into things that are inappropriate for kids and adults. Sometimes the words we read are hard to pronounce and understand.

I thank that second-grader. I thought the U.S. Senate might like to hear how one second-grader feels about what we have done thus far.

Mr. President, I ask unanimous consent these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NEBRASKA BROADCASTERS ASSOCIATION,
Omaha, NE, May 18, 1996.

Hon. J.J. EXON,
Hart Office Building,
Washington, DC.

DEAR SENATOR EXON: Thank you for attending our luncheon for Chris McLean last

week in Omaha. Your presence and remarks were the right touch to make it a really nice event for Chris. We have appreciated having him on the job.

I thought about you this week when my daughter brought home the enclosed set of rules about Internet use. She's a second grader at Sandoz School in Lexington. Her teacher, Dianne Yeutter, spent a considerable amount of time with the children on the proper use of the Internet.

Maybe all segments of the nation don't appreciate the seriousness of the Internet pornography problem, but people like you and I with children and grandchildren certainly understand it very well. Thank for all your time and effort working on the problem.

Sincerely,

CHARLIE BROGAN,
President, N-B-A.

Internet is fun and helpful when we need to research information for reports. However, we are concerned about certain things. Don't use the Internet unless you know what you're doing and where you're going. We not only have to ask Mrs. Yeutter permission to use the Internet but she always asks where we're going. She is in the room when we use Internet. One or two clicks of the mouse can be powerful. They can take you places where you shouldn't go. For example, you can get into big trouble by buying stuff you don't want. You can click into things that are inappropriate for kids and adults. Sometimes the words we read are hard to pronounce and understand.

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

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. We do not need the quorum call because Senator THOMPSON is ready.

Mr. THOMPSON addressed the Chair.

Mr. EXON. I withhold my request.

The PRESIDING OFFICER. The Senator withholds his request for a quorum call.

The Senator from Tennessee is seeking recognition?

AMENDMENT NO. 3981

Mr. THOMPSON. Mr. President, I call up amendment 3981.

The PRESIDING OFFICER. The amendment is now before the Senate.

(The text of the amendment No. 3981 was printed in the RECORD of May 20, 1996.)

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. Mr. President, this amendment reserves the Presidential election campaign fund checkoff system as it is today. The budget resolution instructions direct the Finance Committee to terminate the current checkoff system which funds the Presidential campaign fund. In its place, the Finance Committee is directed to allow taxpayers to make a voluntary contribution to the fund out of their tax refund, should they have one.

This provision in the budget resolution will effectively terminate this post-Watergate reform. It is a system that has worked better than any of the rest of our campaign finance system, which is of great concern to many people. I do not think it is wise to single out the system and the part of it that is working the best and do away with it.

It has been scandal free. It has made for a more level playing field. Three out of the last four challengers to incumbent Presidents have won.

The next question is, what do we replace it with if, in fact, this is the demise of the current system? Do we go back to pre-Watergate?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. THOMPSON. I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Kentucky has 30 seconds.

Mr. MCCONNELL. I will take the same 30 seconds Senator THOMPSON had.

Mr. DOMENICI. I yield time in opposition, and we will be generous with the 30 seconds.

The PRESIDING OFFICER. A long 30 seconds.

Mr. MCCONNELL. Mr. President, this is a vote about whether you want to take roughly $300 million over a 4-year period out of financing political conventions and political campaigns for President of the United States and apply it to the deficit. The beauty of this proposal of the Budget Committee is that it does not end the Presidential checkoff at all. I personally would like to end it. I think it is a terrible idea to have taxpayer funding of elections. But the proposal of the Budget Committee does not do that. All it says is, when you check off on your tax return every April 15, you really pay for it. It is only $3, and I am confident that those who believe that taxpayer funding of political campaigns is a good idea will be more than happy to contribute $3 to this fund.

Under the current system the participation in the checkoff has gone from 29 percent down to 13 percent, and that is when it does not even cost the person checking off any money. This is just truth in advertising. If you check off, you pay for it.

I close by saying it saves $300 million, adds that to deficit reduction, and allows people to really pay for the voluntary checkoff.

I hope the Thompson amendment will be defeated.

Mr. DOMENICI. Does the Senator want the yeas and nays on this? Senator THOMPSON will accept a voice vote.

Mr. THOMPSON. I will accept a voice vote.

Mr. MCCONNELL. Yes.

Mr. THOMPSON. With the provision I could ask for a rollcall vote subsequently.

Mr. DOMENICI. I think you have the right to a rollcall vote in any event after a voice vote.

The PRESIDING OFFICER. That will be before the Chair announces the result.

Mr. DOMENICI. If he does it before the Chair announces the result.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

All in favor say aye. All those opposed, no.

The ayes appear to have it.

Mr. EXON. Mr. President, I call for the yeas and nays.

What was the ruling of the Chair? The ayes have it? I withdraw my request.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. First of all, I have to announce the result.

The ayes appear to have it. The ayes do have it.

The amendment is agreed to.

The amendment (No. 3981) was agreed to.

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

Mr. DOMENICI. I apologize, Mr. President, I thought you had already ruled.

The PRESIDING OFFICER. Without objection, the motion to lay on the table is agreed to.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Arkansas.

AMENDMENT NO. 4014

Mr. BUMPERS. Mr. President, the yeas and nays have been ordered on this amendment already.

This amendment, I say to my colleagues, is one with which you are all familiar. It is called the defense firewalls. What it says is, no matter how many epidemics, floods, typhoons, earthquakes, no matter how much of anything you have in this country, you may not take a dollar from the defense budget with less than 60 votes to put it over in something that is of a much more dire need.

In 1991, and 1992, we had defense firewalls. We took them down in 1993 and 1994. Nothing untoward happened. I am just offended what this does. It says that no matter what happens that defense may not be touched. No matter how bloated the defense budget may be, it says you cannot take a penny out of defense for any other purpose, no matter what the emergency is.

We are saying we do not trust the Senate; we do not trust the Senate with a 51-vote majority. If you want to take something out of defense, you have to get 60 votes.

The PRESIDING OFFICER. The time of the Senator from Arkansas has expired.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, since the Senator says this offends him, I

might say, one man's offense is another man's exhilaration. I think the firewalls are the best thing we have ever done for the defense of our country. I think we ought to vote the amendment down.

Clearly, it is not as the Senator said. The Senate votes on whether it wants the defense budget. After you voted it, you cannot take away from it when you have pressure for domestic spending. That is the issue. For typhoons and disasters, it is another issue. The Budget Act clearly says you can break the budget for those kinds of items. If you have natural disasters, it does not mean you can take the money from the men and women in the military.

I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table amendment No. 4014. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mr. DOLE] and the Senator from Pennsylvania [Mr. SANTORUM] are necessarily absent.

The result was announced—yeas 57, nays 41, as follows:

[Rollcall Vote No. 147 Leg.]

YEAS—57

Abraham	Frist	Lugar
Ashcroft	Glenn	Mack
Bennett	Gorton	McCain
Bond	Graham	McConnell
Brown	Gramm	Murkowski
Burns	Grams	Nickles
Campbell	Grassley	Nunn
Chafee	Gregg	Pressler
Coats	Hatch	Robb
Cochran	Heflin	Roth
Cohen	Helms	Shelby
Coverdell	Hutchison	Simpson
Craig	Inhofe	Smith
D'Amato	Jeffords	Snowe
DeWine	Kassebaum	Stevens
Domenici	Kempthorne	Thomas
Faircloth	Kyl	Thompson
Feinstein	Lieberman	Thurmond
Ford	Lott	Warner

NAYS—41

Akaka	Exon	Mikulski
Baucus	Feingold	Moseley-Braun
Biden	Harkin	Moynihan
Bingaman	Hatfield	Murray
Boxer	Hollings	Pell
Bradley	Inouye	Pryor
Breaux	Johnston	Reid
Bryan	Kennedy	Rockefeller
Bumpers	Kerrey	Sarbanes
Byrd	Kerry	Simon
Conrad	Kohl	Specter
Daschle	Lautenberg	Wellstone
Dodd	Leahy	Wyden
Dorgan	Levin	

NOT VOTING—2

Dole	Santorum

The motion to lay on the table the amendment (No. 4014) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4015

Mr. MURKOWSKI. Mr. President, yesterday the Senate began voting on amendments to the budget resolution at 9 a.m. and for the next 8½ hours, we cast 27 votes and voice-voted 7 other amendments. Out of the 34 amendments considered, 28 amendments—83 percent—were sense-of-the-Senate amendments. And 7 of the 27 rollcall votes—more than one out of four votes were unanimous 100–0.

Mr. President, these amendments are not binding; they do not shift a single dollar from one program to another. They merely allow both Republicans and Democrats to engage in strategies of gamesmanship which deceive the American people about our legislative business.

Enough is enough.

My amendment simply states that it shall not be in order for the Senate to consider sense-of-the-Senate resolutions during debate on the budget resolution.

I think we have reached the point where all of us would agree we have to abandon these unending, and meaningless, sense-of-the-Senate resolutions or at least require Senators to state on the floor and tell the American public that these amendments have no binding effect.

End this charade on the American public and vote to eliminate these amendments on budget resolutions.

Mr. EXON. Mr. President, the Murkowski amendment would create a new point of order that would deprive the minority of its right to amend with the sense-of-the-Senate language. Under the amendment, the majority could report out any sense-of-the-Senate language it wanted, but no Senator could offer a sense-of-the-Senate amendment to change that language or add to it.

Mr. President, I yield back the balance of my time. I raise a point of order that the pending amendment is not germane and it violates section 305(b) of the Congressional Budget Act.

Mr. DOMENICI. Mr. President, I move to waive section 305(b) of the Budget Act for the consideration of the Murkowski amendment 4015.

Parliamentary inquiry. Do I get an opportunity to speak on my motion?

The PRESIDING OFFICER. Thirty seconds.

Mr. DOMENICI. Fellow Senators, I seldom move to violate the Budget Act, but it does say if you can get 60 votes you can do it. I believe the time has come to send a signal that we ought not have 40, 50, 60 sense-of-the-Senate resolutions on a Budget Act. That is what this will do. This will say we are not going to have them in the future. It treats everybody the same. We will just not have that kind of a spectacle on the floor.

Mr. EXON. I have 30 seconds. Mr. President, as I understand the procedure, it would require 60 votes to do what the Senator from New Mexico has just requested.

The PRESIDING OFFICER. To waive the Budget Act requires 60 votes.

Mr. DOMENICI. Mr. President, I want to report to all Senators about the ongoing episode of my statement yesterday about the dinner last night and my wife's position. So you will all know, my wife arrives, she wanted to be there very much and she brought a purse. In the purse was a bar of Dial soap. She suggested that maybe I should wash my mouth out with Dial soap. I have done that. I hope I have set everything straight. I misstated my wife's position, but it was all in fun, and she did the Dial soap for fun, too.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mr. DOLE] and the Senator from Pennsylvania [Mr. SANTORUM] are necessarily absent.

The yeas and nays resulted—yeas 57, nays 41, as follows:

[Rollcall Vote No. 148 Leg.]

YEAS—57

Abraham	Gramm	McCain
Ashcroft	Grams	McConnell
Bennett	Grassley	Murkowski
Bond	Gregg	Nickles
Burns	Hatch	Nunn
Byrd	Hatfield	Pressler
Campbell	Helms	Reid
Chafee	Hollings	Robb
Coats	Hutchison	Roth
Cochran	Inhofe	Shelby
Cohen	Jeffords	Simpson
Coverdell	Johnston	Smith
Craig	Kassebaum	Snowe
D'Amato	Kempthorne	Specter
DeWine	Kyl	Stevens
Faircloth	Lieberman	Thomas
Frist	Lott	Thompson
Glenn	Lugar	Thurmond
Gorton	Mack	Warner

NAYS—41

Akaka	Dorgan	Leahy
Baucus	Exon	Levin
Biden	Feingold	Mikulski
Bingaman	Feinstein	Moseley-Braun
Boxer	Ford	Moynihan
Bradley	Graham	Murray
Breaux	Harkin	Pell
Brown	Heflin	Pryor
Bryan	Inouye	Rockefeller
Bumpers	Kennedy	Sarbanes
Conrad	Kerrey	Simon
Daschle	Kerry	Wellstone
Dodd	Kohl	Wyden
Domenici	Lautenberg	

NOT VOTING—2

Dole	Santorum

Mr. EXON. Mr. President, I ask for the regular order.

Mr. President, I ask for the regular order.

Mr. President, I ask for the regular order.

The PRESIDING OFFICER. We will proceed.

Mr. EXON. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. Are there any Senators still wishing to vote?

Mr. DOMENICI. Mr. President, I change my vote from ''aye'' to ''no.''

The PRESIDING OFFICER. On this vote, the ayes are 57, the nays are 41. Three-fifths of the Senators duly chosen and sworn, not having voted in the affirmative, the motion is rejected.

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

Mr. DOMENICI. Mr. President, I enter a motion to reconsider the vote by which the motion to waive the budget act for the consideration of the Murkowski amendment was defeated.

The PRESIDING OFFICER. The motion is entered for future consideration. However, the motion having failed to be approved at this time, the Chair will rule on the motion—on the point of order. The rights of Senators are reserved to move in the future to proceed to the motion to reconsider.

The Chair will rule at this time that the amendment is not germane. The point of order is sustained. The amendment falls at this time.

RECESS

Mr. DOMENICI. I ask unanimous consent that the Senate stand in recess until 2 p.m. today.

There being no objection, the Senate, at 1:13 p.m. recessed until 2:01 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. THOMAS].

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 4016

The PRESIDING OFFICER. The pending question is the Simpson-Kerrey amendment No. 4016.

Mr. KERREY. Mr. President, how much time do I have to speak on this?

Mr. GRASSLEY. Thirty seconds.

Mr. KERREY. Thirty seconds.

The PRESIDING OFFICER. The Senator from Nebraska. Take it all.

Mr. KERREY. I do not expect to persuade a majority, Mr. President. This is an amendment that will have a tremendous impact on the future budget outlays and appropriations of this Congress. As everybody that has examined the facts knows, unless we make changes in these long-term entitlement programs, we are simply never either going to get into balance in 7 years, nor are we going to be able to sustain it out in the future. We are converting our Government into an ATM machine. The longer we wait, the sooner the day is going to arrive when there is no money for defense, no money for anything other than transfer of payments.

As I said, I do not expect a majority to vote for a majority of these proposals in here, but I urge my colleagues to give very careful consideration to this amendment.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I oppose the Kerrey amendment. I do this because it states the sense of the Senate that the budget resolution assumes a series of long-term entitlement reforms, including reducing the CPI by one-half a percentage point each year, which would cut Social Security spending by about $38 billion over the next 6 years, and it would increase taxes by about $35 billion over that period.

The amendment also calls for increasing the retirement age for civilian and military retirees and Social Security and Medicare beneficiaries, COLA limits for very high civilian and military pensions, and partial privatization of Social Security.

On behalf of Senator DOMENICI, the chairman of the Budget Committee, I move to table the Kerrey amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mr. DOLE] is necessarily absent.

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

The result was announced—yeas 63, nays 36, as follows:

[Rollcall Vote No. 149 Leg.]

YEAS—63

Abraham	Feingold	Mack
Akaka	Ford	McCain
Ashcroft	Glenn	McConnell
Baucus	Gorton	Mikulski
Biden	Graham	Moseley-Braun
Bingaman	Gramm	Murkowski
Bond	Grassley	Murray
Boxer	Harkin	Pressler
Burns	Hatch	Reid
Byrd	Heflin	Rockefeller
Campbell	Helms	Roth
Conrad	Hutchison	Sarbanes
Coverdell	Inhofe	Shelby
Craig	Inouye	Smith
D'Amato	Kempthorne	Snowe
Daschle	Kennedy	Specter
Dodd	Kerry	Stevens
Domenici	Kyl	Thurmond
Dorgan	Lautenberg	Warner
Exon	Leahy	Wellstone
Faircloth	Levin	Wyden

NAYS—36

Bennett	DeWine	Kerrey
Bradley	Feinstein	Kohl
Breaux	Frist	Lieberman
Brown	Grams	Lott
Bryan	Gregg	Lugar
Bumpers	Hatfield	Moynihan
Chafee	Hollings	Nickles
Coats	Jeffords	Nunn
Cochran	Johnston	Pell
Cohen	Kassebaum	Pryor
Robb	Simon	Thomas
Santorum	Simpson	Thompson

NOT VOTING—1

Dole

The motion to lay on the table the amendment (No. 4016) was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The pending question is now amendment No. 4018.

Mr. EXON. Before we start charging time, could we have a little order here for the information of all the Senators?

The PRESIDING OFFICER. Order in the Senate. The Senator may proceed.

Mr. EXON. Mr. President, I say to the chairman of the committee, according to our scoresheet we have seven amendments left that have been preagreed to for consideration and votes. Then there are some others that are still outstanding that we still have on the list. Of the seven that are still outstanding, waiting for a vote, and since we are cramped for time—I know there are three sense-of-the-Senate resolutions, one by Senator MCCAIN, one by Senator FAIRCLOTH, another one by Senator ROTH, all sense-of-the-Senate resolutions—and since all of those Senators voted against considering sense-of-the-Senate resolutions, I am wondering if they would like to, in good faith, withdraw their sense-of-the-Senate resolutions so that we can accomplish what they would like to do in addition to that.

Mr. MCCAIN. Since when is consistency a requirement?

Mr. EXON. Senators who have a sense of the Senate outstanding, they, too, want an expedited procedure. I say this is a good time to do that.

Mr. DOMENICI. We will make a trade with the Senator. We will reconsider this if you help us and vote for the reconsideration. In the future there will be no more——

Mr. FORD. No.

Mr. EXON. In the future? I would like to have done it now.

Mr. DOMENICI. That is what it was.

Mr. EXON. If we are going to consider sense-of-the-Senate resolutions, there are seven amendments that we know about, and three of those are sense-of-the-Senate resolutions.

AMENDMENT NO. 4018

Mr. DOMENICI. Mr. President, could we have order? This is an amendment that has been worked on very hard by a lot of people. They deserve to be heard.

The PRESIDING OFFICER. Could we have order so we can move forward? This is the amendment, the Chafee-Breaux amendment, and with 5 minutes of debate equally divided.

Mr. DOMENICI. A 10-minute vote.

The PRESIDING OFFICER. Ten-minute vote.

Mr. CHAFEE. I ask that everybody please give their attention to the proposal we are making.

The PRESIDING OFFICER. Could Senators move out of the well, please?

Mr. CHAFEE. Mr. President, every Member of this Chamber believes that running up huge deficits year after year and passing the debt on to our children is just plain wrong. Every Member of this Chamber knows we must restrain the entitlement programs.

The proposal I am offering on behalf of myself, Senator BREAUX, and 19 of our colleagues, Republicans and Democrats, balances the budget in 7 years. It makes significant reforms to entitlement programs. It extends the solvency of the Medicare trust fund and provides modest tax relief for working families.

These are all sound reasons for supporting it. But there is an additional strong reason I wish to call to your attention. The President's budget was rejected on nearly a straight party-line vote. The Republican proposal will pass on a straight party-line vote, I expect. But the implementing legislation to the Domenici proposal, the implementing legislation will undoubtedly be vetoed. Thus, its entitlement reforms will not become law, just like last year. Our budget, however, has a realistic chance of becoming law. Today with a ''yes'' vote on the alternative, we can transform talk about deficit reduction into action.

If we pass the Chafee-Breaux alternative, a balanced budget agreement can be reached this year. If this effort fails, then we will go through another year without solving our Nation's fiscal problems.

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, my colleagues, Herb Stein, the economist and sometimes humorist, once said, ''If your horse dies, we suggest you dismount.'' Mr. President, both parties today are trying to ride a dead horse. We have both been there and done that before. It did not work then. It is not going to work now.

If only Democrats vote for the Democratic budget, it will not pass. If only Republicans vote for the Republican plan, it will pass, but it is not going to become law. There is another way. Our centrist coalition of over 20 Senators, half Democrat and half Republicans, have, in fact, offered a better way. The American people are watching us today and hoping that just once we can come together, meet in the middle, and get it done.

Let me be very honest and acknowledge that our one-half of 1 percent adjustment to the Consumer Price Index is politically difficult for everyone. But let us all be honest with ourselves and to the American people and acknowledge that it is the right thing to do.

If we do nothing, by the year 2012, projected outlays for entitlements will consume 100 percent of all the tax revenues we collect leaving nothing for any of the other functions of Government.

It is, therefore, very clear which path we must take. The only question is, will we have the political courage to do the right thing? I think that together we can do it.

Mr. President, on Monday evening, the senior Senator from Illinois asked about the effect of the Chafee-Breaux amendment on student loans. I ask unanimous consent to have printed in the RECORD prior to the vote on the amendment a letter from June O'Neill, the Director of the Congressional Budget Office which addresses that subject, as well as a table comparing the saving levels in the Chafee-Breaux resolution to the other plans.

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

U.S. SENATE,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 21, 1996.

Hon. JOHN H. CHAFEE,
U.S. Senate,
Washington, DC.

DEAR SENATOR: At your request, we have reviewed Amendment No. 4018 to S. Con. Res. 57, the 1997 budget resolution. That amendment, introduced by yourself and others, includes reconciliation instructions to the Committee on Labor and Human Resources, but does not identify any specific programmatic changes that the committee would be required to make to the student loan program or to any other program within its jurisdiction.

Sincerely,

JUNE E. O'NEILL.

Amendment No. 4018—a substitute proposed by: Mr. CHAFEE, (for himself, Mr. BREAUX, Mr. BENNETT, Mr. BROWN, Mr. BRYAN, Mr. COHEN, Mr. CONRAD, Mrs. FEINSTEIN, Mr. GRAHAM, Mr. GORTON, Mr. JEFFORDS, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KERREY, Mr. KOHL, Mr. LIEBERMAN, Mr. NUNN, Mr. ROBB, Mr. SIMPSON, Mr. SPECTER, and Ms. SNOWE).

	Chafee/Breaux (7-year savings)	President (6-year savings)	GOP (6-year savings)
Discretionary	−268	−229	−296
Medicare	−154	−116	−167
Medicaid	−62	−54	−72
Welfare/EITC	−58	−43	−70
CPI	−126	0	0
Net tax cuts	105	8	122
Total savings	−679	−523	−565

The PRESIDING OFFICER. Is there anyone who wishes to speak in opposition?

Mr. DOMENICI. I yield Senator EXON half the time.

Mr. EXON. Mr. President, I join the chairman of the committee in what I think will be a salute to our colleagues from Rhode Island and Louisiana for their effort. But I must oppose the amendment. The Chafee-Breaux budget could cut COLA's, costing a typical Social Security beneficiary $1,200 over 7 years. Such changes should be done, in my opinion, if at all, only in the context of a comprehensive Social Security reform package. These COLA cuts would also hit EITC, SSI, and retired and disabled veterans.

The amendment goes after Medicare beneficiaries as well unnecessarily. Finally, the Chafee-Breaux budget cuts taxes far more than the President and far more than I think is prudent. For these reasons I urge Senators to oppose it.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want everyone to know that the Senator from New Mexico thinks those bipartisan Senators that put this package together deserve our highest accolades, and obviously, in the scheme of things they performed a very, very important role in providing an alternative in a way that may some day become the budget of the United States.

But for any member of that coalition to stand up and say since this is bipartisan, it is going to become law, let me suggest, sitting over in the White House is the President of the United States. The President of the United States has had this presented to him. He is not in favor of it for the very simple reason that it cuts Social Security. It does it in a different way by adjusting the CPI, and it may be something that eventually some commission might say we ought to do that.

But, quite frankly, I urge this amendment be defeated unless those Senators who vote for it truly want to take on the President of the United States on the Social Security issue 5 months before an election. I think it is doomed. Because I think it is doomed, it seems to me we ought to adopt the underlying bill and not this one. I yield the floor.

Mr. BURNS. Mr. President, I stand today to support many of the goals of the Chafee-Breaux amendment to the Budget Act of 1997, but to voice concern regarding how to pay for those goals.

On the top of the list of essential tax reforms that this amendment addresses is a reduction in the capital gains tax. This tax is fundamentally unfair because it is not linked to inflation and taxes people on phantom income. No other nation in the world has a tax on capital gains and at least a reduction in this tax is in order. Because a clear majority of Americans own their own homes this tax relief lifts a huge burden off the backs of the middle class. It also allows businesses to buy and sell property and equipment based on their need and not on the Tax Code. It frees money trapped in deteriorating assets to be used to invest in new and improved equipment and expand the economy. This in turn benefits all Americans.

Another essential tax reform is eliminating the estate and inheritance tax. These taxes are very destructive to the family. It forces family businesses to be sold and increases the pain already felt by the loss of a loved one. The ability for each generation to pass on it's family heritage should not be blocked by the Federal Government's grab for money. These taxes must be eliminated.

Middle class tax relief was promised by the President in 1992 and by the Congress in 1994. The President vetoed it repeatedly last year, but it is just as important now as it was then. It is

time to cut taxes for families with children. In the last 30 years it has become increasingly more expensive to raise children. The typical child costs upwards of a quarter of a million dollars to raise and send to college. A $250 per child family tax credit would go a long way to relieving some of the stress of raising children in the typical American family. Since the average family pays 38.2 percent of its income toward taxes, surely we can agree to give some of it back to those that need it the most.

All of these reforms are needed and necessary and I support them without reservation. However, I am concerned about the way the Breaux-Chafee amendment pays for these reforms. By tinkering with Federal employees retirement plans, we are in essense breaking our word to them. I believe that the Government should keep its commitment to these hard-working folks and not change the rules this late in the game. For this reason, I will cast my vote in opposition to the Breaux-Chafee amendment.

Mrs. MURRAY. Mr. President, I commend Senators CHAFEE and BREAUX for the work they did in putting together a true budget compromise. These two distinguished Senators successfully coordinated a group of 11 Democrats and 11 Republicans in a good-faith effort to balance our Nation's budget in a fair and responsible way. And, their work should not go unnoticed.

As the people of this country know all too well, Congress has been wrangling with the budget issue for more than a year. The debate has been bitter and, at times, downright rancorous. But, if we step back and look beyond all the huffing and puffing, we find that Congress and the President have learned we can balance the budget. It is not an impossible mission. And it is not an idea that must get bogged down along party lines.

We all agree the budget must be balanced. We all understand the need to get our fiscal house in order. The difficult part, however, is making sure the budget plan uses good common sense and reflects America's core values—the belief we should ensure our quality of life, educate our children, and maintain adequate health security for our parents and disabled.

Unfortunately, the Senate rejected the centrist budget today. However, the awareness of this plan is just building, and I am pleased to note support is growing for this plan. I believe the Chafee-Breaux budget lays the groundwork and sets out the parameters that could be used to strike a final compromise on a comprehensive 6-year balanced budget plan.

The centrist budget plan is not perfect. It requires serious savings in programs I believe in and my friends and family depend on. It asks each and every one of us to give a little in order balance the budget. It cuts Medicare, Medicaid; it curtails welfare programs; and it cuts taxes all a little bit more than I would like. But the proposals in this plan are workable. It calls for realistic savings. Savings that can be achieved without risking the safety and security of our friends and families—without stripping away the safety net that catches our most needy.

Mr. President, let me just say, last year I was opposed to cutting back Medicaid because it provides health care for our poorest children and it ensures quality nursing home standards for our parents. But, after talking to health care experts in Washington State, I concluded my home State could still serve our most vulnerable populations as long as we do not have drastic cuts to Medicaid. I am willing to concede that point, and I know now that if we all give a little, we can reach compromise.

The key to any balanced budget proposal is making sure the numbers fit the policy decisions. In other words, we cannot just arbitrarily slash important programs simply to balance the budget. We need to make sure we can reform the programs in a way that saves money while still serving the public. The Chafee-Breaux plan will accomplish that goal—it proposes realistic numbers that can be achieved.

Given this, let me say that I will work to make sure the Chafee-Breaux plan is balanced and reflects America's priorities. While I support the overall effort to put aside partisan differences and find common ground, there are very important matters we cannot afford to overlook.

I just want to remind my colleagues and our State legislators who seem to be clamoring for more State control of Medicaid and Welfare, that our children's needs do not change with shifting political winds.

We need a balanced budget. Saying that is the easy part. But we must compromise to get one, and that is the hard part. The American people clearly are willing to sacrifice to make this happen. And, I voted today in support of a bipartisan budget agreement that asks for shared sacrifice. The numbers in the Breaux-Chafee proposal are reasonable. How the proposal gets to the numbers still raises large concerns for me, and should for all of us.

On welfare, there will be cuts. People will see reduced services from their Government. There will be new requirements on adults to do more in order to get help, and if this breaks down the disincentives in our current welfare system, then I support it. That is one reason I voted for this amendment.

But how we achieve savings is a very important question, as is whether we want to penalize people. And I think this amendment and every other welfare proposal goes the wrong way when it comes to removing national standards for a basic guarantee of service.

According to CBO, removing entitlement status for cash assistance does not save money in this proposal. I can understand saving money and making programs run more efficiently. I can see why people in this country want to impose work requirements on those getting public assistance. I just do not understand why children have to suffer because their parents are poor.

The Breaux-Chafee proposal cuts food stamps, SSI eligibility, and many other things that will make our children's lives harder, day to day. I do not think this is wise. But in the interest of getting a budget agreement, and in the spirit of shared sacrifice, some of these proposals are reasonable.

But, block-granting and capping welfare payments to States is not reasonable. When the economy in Wisconsin or Washington turns sour, we will see how fast the States want help from the Federal Treasury. Removing the guarantee to a basic hand-up in need—this is not reasonable, and Congress should not be doing it in this budget or any other.

On Medicaid, the Breaux-Chafee plan will change early health treatment for kids under EPSDT, which will hinder our long-term preventative health efforts for children. We will be less likely to stop easy ailments before they become serious and costly illnesses. We know this is going in. The trick will be to find a way to make sure that does not happen.

There are many other concerns I have with this section of the budget. The overall funding level looks reasonable, but we need to watch Medicaid for its impact on children.

I am also deeply concerned about the proposals included in this budget that would target our federal and postal employees. These people who serve our country have already been hit hard through Government shutdowns and delayed COLA's. This budget also adjusts contributions and collections from the CSRS and FERS retirement plans, and it increase retirement ages—improperly placing a large burden on the backs of Federal workers. We must end the continued 3-month delay in retiree COLA's and honor the contract our Nation formed with our valued Federal workers.

Mr. President, I will not forget the concerns I just raised. As we reform these programs, we must remember what works and what needs to be changed. Last year, we learned the American people do not want reckless changes. They want wise decisionmaking. They want us to craft budgets that reflect their priorities. And I am confident that with good common sense we can meet their expectations.

Mr. KERRY. Mr. President, I will oppose the Breaux-Chafee substitute. I want to commend those who have been involved in that effort and support the objective they seek. Senator CHAFEE and Senator BREAUX deserve our praise for showing the country that we do not need partisan bickering to reach a budget agreement. I would very much like to have been able to join their ranks and pass a budget on a bipartisan basis.

I wish more of our Republican friends would have joined me in supporting the President's balanced budget. It is a sad commentary that not one Member of the other party could work with us on a plan which has proven to cut the deficit in half while keeping our economy moving at a robust clip. The President and the Democrats have crafted a budget which eliminates the deficit and works for middle-class Americans.

Mr. President, I wish I could join my friends. I have discussed this proposal with a number of its proponents, but Mr. President, I cannot sign on to a plan at this time which arbitrarily changes the Consumer Price Index or its application to benefits that are by law adjusted for inflation.

As you know, the CPI is one of the country's most widely watched economic indices. The CPI, which measures the changes in the cost of living, is determined by economists at the Bureau of Labor Statistics. These analysts are continually adjusting the CPI and the methodology they employ to ascertain it.

There are a number of prominent economists—including Federal Reserve Chairman Alan Greenspan—who tell us the CPI overstates the actual cost of living and is therefore an inaccurate estimate for the rate of inflation. They call for the CPI to be adjusted downward. I know the proponents of this budget are responding to these calls when they arbitrarily lower the CPI and derive more than $100 billion to spend on tax breaks or to apply to deficit reduction.

Mr. President, I think this action—which will affect millions of American taxpayers, Social Security beneficiaries, and other retirees—is premature.

As changing the CPI will affect millions of Americans, we should study it carefully before we enact any change in the way it is calculated as part of a deficit reduction plan. Perhaps at some point in the future, the Bureau of Labor Statistics will determine that the CPI exaggerates the cost of living and adjust the index downward. Or perhaps the Congress, after rigorous study, will thoroughly debate a legislative change in the CPI and subsequently enact a change. As you know, Mr. President, the Finance Committee has established a nonpartisan commission to study the accuracy and methodology of the Consumer Price Index. This Commission is due to release its final report this summer. We should wait at least until the Commission has reported its findings before legislating changes to this index.

At least until then, Mr. President, legislation to change the CPI is not needed and would be extremely unwise. We can and should balance the budget without changing the CPI. The President has shown us that it is possible to balance the budget by the year 2002 without changing the CPI. I voted for his balanced budget proposal as did many of the proponents of this change in the CPI.

I also have considerable concerns about the level and impact of cuts in the Breaux-Chafee budget from the level needed to maintain current Medicare and Medicaid services, as well as the discretionary programs that are so vital to investment in our future, ranging from education to infrastructure, from environmental protection to high-technology research and development.

I am also very concerned about the size of the Medicare cuts in the Chafee-Breaux proposal which would reduce this essential program by $154 billion by 2002. These cuts will result in inadequate health care, more expensive health care, or no care at all. Although cuts this large could be implemented in a number of ways, and all of those would have a considerable negative impact because of the magnitude, the Chafee-Breaux proponents have advocated doubling Medicare premiums for middle and upper income seniors, requiring most participants to bear the burden of paying 31.5 percent of the part B program's costs. Forcing the elderly to pay an unfair share of deficit reduction is the wrong approach.

And all for those reasons, I regretfully concluded I cannot join in supporting this budget alternative, and I must oppose the Chafee-Breaux substitute.

I do hold out hope, however, Mr. President, that those of us who supported the President's budget, which balances the budget by the year 2002, will be able to work with the proponents of this budget alternative to secure final Senate action that will be far preferable for our Nation's sake than the budget the Republican majority will ram through both Houses of Congress this week.

Mr. LEVIN. Mr. President, I support the Chafee-Breaux amendment as a substitute for the underlying budget offered by the majority.

The Chafee-Breaux amendment is a bipartisan effort to find a compromise to the budget dilemma. It provides a more moderate reduction in discretionary spending and includes a national guarantee of coverage in Medicaid for the elderly, the disabled, and disadvantaged children and pregnant women.

I do not agree with all aspects of the Chafee-Breaux amendment, however. I do not agree with the 0.5-percent adjustment to the Consumer Price Index—0.3 percent in the outyears. I do not believe that such a change should be made in the calculation of the CPI without careful study and analysis showing a disparity between the CPI and the rate of inflation and a resulting recommendation from the Bureau of Labor Statistics that Congress make such a change. Also, I do not agree with the Chafee-Breaux defense discretionary spending level which is $11 billion more than the President requested. I am also concerned by the Chafee-Breaux's assumption of a 40-percent cap on direct student loans.

While I support the Chafee-Breaux amendment as a substitute for the majority's budget, I would need to see these concerns addressed before voting for it on final passage.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 4018. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mr. DOLE] is necessarily absent.

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

The result was announced—yeas 46, nays 53, as follows:

[Rollcall Vote No. 150 Leg.]

YEAS—46

Akaka	Faircloth	Lieberman
Bennett	Feinstein	Lugar
Bingaman	Frist	Moynihan
Boxer	Gorton	Murray
Bradley	Graham	Nunn
Breaux	Gregg	Pell
Brown	Hatch	Pryor
Bryan	Hatfield	Reid
Campbell	Inouye	Robb
Chafee	Jeffords	Santorum
Coats	Johnston	Simon
Cochran	Kassebaum	Simpson
Cohen	Kerrey	Snowe
Conrad	Kohl	Specter
D'Amato	Leahy	
DeWine	Levin	

NAYS—53

Abraham	Gramm	Mikulski
Ashcroft	Grams	Moseley-Braun
Baucus	Grassley	Murkowski
Biden	Harkin	Nickles
Bond	Heflin	Pressler
Bumpers	Helms	Rockefeller
Burns	Hollings	Roth
Byrd	Hutchison	Sarbanes
Coverdell	Inhofe	Shelby
Craig	Kempthorne	Smith
Daschle	Kennedy	Stevens
Dodd	Kerry	Thomas
Domenici	Kyl	Thompson
Dorgan	Lautenberg	Thurmond
Exon	Lott	Warner
Feingold	Mack	Wellstone
Ford	McCain	Wyden
Glenn	McConnell	

NOT VOTING—1

Dole

The amendment (No. 4018) was rejected.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 3969

The PRESIDING OFFICER. The pending question is amendment No. 3969.

Senator FEINGOLD is recognized.

Mr. FEINGOLD. Mr. President, our amendment offers a clear choice: tax cuts or deficit reduction. It strikes the $122 billion tax cut and applies every penny to deficit reduction. I think that is our highest economic priority. This is not just a partisan issue. The Republican and Democratic plans have had this flaw. The bipartisan plan has this flaw. This has been endorsed by the Concord Coalition.

Mr. DOMENICI. Mr. President, the FEINGOLD amendment strikes $122 billion in family tax credit from this resolution. Therefore, it will be a bill without any special emphasis for the families across America. I believe this

should be tabled, and we should proceed through and have a budget that does something for American families, along with reducing the deficit. I believe it should be tabled.

Therefore, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion to table the amendment.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

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

The result was announced—yeas 57, nays 43, as follows:

[Rollcall Vote No. 151 Leg.]

YEAS—57

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

NAYS—43

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

The motion to lay on the table the amendment (No. 3969) was agreed to.

APPEAL OF THE RULING OF THE CHAIR

The PRESIDING OFFICER. The Senate Democratic leader has appealed the decision of the Chair. The question before the Senate is, Shall the decision of the Chair stand as the judgment of the Senate?

There is 1 minute of debate equally divided.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, this resolution abuses reconciliation—extending use in an entirely inappropriate way. In sanctioning that abuse, the Chair has made a faulty judgment that could have a vast impact on the Senate.

The Chair has ruled that reconciliation can be used solely to increase spending, solely to cut taxes, solely to increase the deficit.

That is an absolutely unacceptable distortion of the reconciliation process; expanded use threatens all Senators' rights to debate and amend.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President and fellow Senators, I think the Chair's ruling should be sustained. Senator DASCHLE's point of order was based on his view that the budget resolution cannot contain separate reconciliation instructions, that there can be just one. The Parliamentarian ruled that you could have multiple reconciliation bills directed by a budget resolution.

I think the Parliamentarian is right and we should support him. Therefore, I urge that you vote ''no'' on this appeal—vote ''aye'' on this appeal. Excuse me.

The PRESIDING OFFICER. The question is, Shall the decision of the Chair stand as the judgment of the Senate? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 53, nays 47, as follows:

[Rollcall Vote No. 152 Leg.]

YEAS—53

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

NAYS—47

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

The ruling of the Chair was sustained as the judgment of the Senate.

AMENDMENT NO. 4022

The PRESIDING OFFICER. The question now occurs on amendment No. 4022 offered by the Senator from Arizona, Mr. MCCAIN.

Mr. DOMENICI. We want to set that aside to do some other things we want to do.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

The Senate will please come to order.

AMENDMENT NO. 4023

Mr. DOMENICI. Senators FAIRCLOTH and MOYNIHAN have an amendment, No. 4023. It has been cleared on both sides. There is no need for a rollcall vote.

I yield any time I might have in opposition.

Mr. EXON. We yield back our time.

The PRESIDING OFFICER. If there is no objection, the Senate will now proceed to consider amendment No. 4023.

Mr. FAIRCLOTH. Mr. President, I ask unanimous consent that Senator MOYNIHAN be added as a cosponsor to this amendment.

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

Mr. FAIRCLOTH. Mr. President, let me say how pleased I am to offer this amendment along with the senior Senator from New York. It was Senator MOYNIHAN'S ground-breaking research 30 years ago that first drew attention to a situation that has gone from a developing trend to what I consider to be a real crisis.

This amendment simply states that it is the sense of the Senate that if welfare reform is included in balanced budget legislation, that those provisions contain a strategy to reduce the incidence of out of wedlock births as well as encourage family formation.

I strongly believe that welfare reform that does not seek to reverse the rising rate of out-of-wedlock births, will not break the cycle of welfare dependency that is consuming more and more of our young people.

I urge my colleagues to support this amendment.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 4023) was agreed to.

AMENDMENT NO. 4037

Mr. EXON. Mr. President, for Senator BIDEN, I send an amendment to the desk and ask unanimous consent the amendment be considered, agreed to, and the motion to reconsider be laid on the table. This has been cleared on both sides.

Mr. DOMENICI. Mr. President, I understand Senator HATCH is a cosponsor of that amendment.

Mr. EXON. Mr. President, Senator HATCH is a cosponsor.

The PRESIDING OFFICER. The clerk will report the amendment by number.

The bill clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. BIDEN, for himself, Mr. LEAHY, Mr. KOHL and Mr. HATCH proposes an amendment numbered 4037.

Mr. EXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place insert the following:

SEC. . A RESOLUTION REGARDING THE SENATE'S SUPPORT FOR FEDERAL, STATE AND LOCAL LAW ENFORCEMENT.

(a) FINDINGS.—The Senate finds that:

(1) Our Federal, State and local law enforcement officers provide essential services that preserve and protect our freedoms and security;

(2) Law enforcement officers deserve our appreciation and support;

(3) Law enforcement officers and agencies are under increasing attacks, both to their physical safety and to their reputations;

(4) Federal, State and local law enforcement efforts need increased financial commitment from the Federal Government for funding and financial assistance and not the slashing of our commitment to law enforcement if they are to carry out their efforts to combat violent crime;

(5) The President's Fiscal Year 1996 budget requested an increase of 14.8% for the Federal Bureau of Investigation, 10% for United States Attorneys, and $4 milllion for Organized Crime Drug Enforcement Task Forces; while this Congress has increased funding for the Federal Bureau of Investigation by 10.8%, 8.4% for United States Attorneys, and a cut of $15 million for Organized Crime Drug Enforcement Task Forces;

(6) On May 16, 1996, the House of Representatives has nonetheless voted to slash $300 million from the President's $5 billion budget request for the Violent Crime Reduction Trust Fund for Fiscal Year 1997 in H. Con. Res. 178; and

(7) The Violent Crime reduction Trust Fund as adopted by the Violent Crime Control and Law Enforcement Act of 1994 fully funds the Violent Crime Control and Law Enforcement Act of 1994 without adding to the federal budget deficit.

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the provisions and the functional totals underlying this resolution assume the Federal Government's commitment to fund Federal law enforcement programs and programs to assist State and local efforts shall be maintained and funding for the Violent Crime Reduction Trust Fund shall not be cut as the resolution adopted by the House of Representatives would require.

Mr. BIDEN. Mr. President, it seems to be ''deja vu all over again'' to quote Yogi Berra—last year we had to fight an effort on the House side to slash funds for the crime law trust fund, and it looks like we are going to have to do the same this year.

The amendment which I propose today gives the entire Senate the opportunity to express its support for full funding of the violent crime control trust fund enacted in the 1994 crime law. Let me point out that the Senate budget resolution offered by Chairman DOMENICI does the right thing on the trust fund—Chairman DOMENICI fully funds the President's $5 billion request for the trust fund for 1997. This recognizes that the $5 billion for the trust fund is already paid for by the reduction of the Federal work force by 272,000 employees.

The problem is that the budget resolution proposed by the Republican leadership of the House of Representatives which passed just last week by a narrow, partisan vote of 226 to 195—221 Republicans voted for it, 4 against; 190 Democrats voted against, 5 voted for it—cut the President's $5 billion request for the trust fund by $300 million.

This is less than the $900 million cut that had been proposed by the Republican leadership of the House—but this is still a significant cut that I must oppose.

If the House proposed cut of $300 million is allowed to stand there can be only one result—fewer Federal dollars will be available to combat crime. As my colleagues know, the general numbers of the budget resolution do not specify which programs will be cut—but it is clear that some programs must be cut.

What specifically might this mean? Let us just review the law enforcement efforts funded by the crime law trust fund:

Federal prosecutors, $55 million;

FBI, $40 million; DEA, $200 million; border enforcement and deporting aliens who break the law, $525 million; violence against women efforts including more police and prosecutors and more shelters for battered women, $254 million; $1 billion for constructing prisons and reimbursing States for imprisoning criminal aliens; and an additional $2.6 billion to aid State and local law enforcement—whether it is through the 100,000 Cops Program I favor or the block grant favored by the other side, I do not believe that any Senator favors a smaller total for State and local law enforcement.

We all know there is no free lunch—so if there is a cut in the total for the trust fund, at least some of the pieces of the trust fund must be cut. For that reason, I call upon the entire Senate to go on record as opposing the House cut to the President's $5 billion request for the crime law trust fund.

But, let me also point out that even if we pass the resolution I am offering today, and even if the House Republican majority ultimately agrees to fully fund the President's request for the trust fund—even if all that happens, a massive shortfall in the President's request for crime fighting resources will still have been made by the budget resolutions adopted by the Republican majority.

To quickly review the facts on the total ''administration of justice'' account—compare what the Senate and House budget resolutions offer for the non-trust fund portion of the ''administration of justice'' account that pays for the entire Justice Department—FBI, DEA, prisons, everything—and the courts:

	Billion
President request	$18.5
House budget resolution	17,4
Senate budget resolution	16.7

These are massive cuts—the House proposes to slash the President's request for crime fighting dollars by $1.1 billion; the Senate proposes a cut $1.8 billion.

What happened to all this ''tough on crime'' rhetoric we have been hearing from all sides? It seems that the President held up his end of the bargain—requesting the largest-ever annual budget for the FBI, DEA, U.S. attorneys, and help for State and local prisons and police. But, the Congress controlled by the other party has been ''AWOL—absent without law enforcement.''

Unless there is a major change to restore these funds when the House and Senate budget conferees meet—we can expect but one result when the appropriators develop their bills later this year. Massive cuts in Federal law enforcement because the appropriators will have no choice—if we shrink the budget pie for law enforcement, there is no way to provide all the slices. It is just that simple.

Mr. President, I urge my colleagues to adopt the amendment I am offering on behalf of myself, and Senators LEAHY, KOHL, and HATCH.

Mr. LEAHY. Mr. President, I join as a sponsor in this amendment to the budget resolution. Last year I offered a similar amendment that was adopted by the Senate. Unfortunately, Congress did not follow through on our commitment. Last year the budget for fighting crime was never finalized. It was only recently that we arrived at a budget resolution for a fiscal year now more than half over. This had a devastating impact on anticrime grant programs and should not be repeated.

I am glad to join with Senator BIDEN in this resolution to preserve the violent crime reduction trust fund. Our purpose is to reaffirm our commitment and appreciation for Federal, State, and local law enforcement and the outstanding job that they do under the most difficult and dangerous circumstances, and to reject the House's attempts drastically to cut our financial support for their efforts.

Over the last few years there has been a lot of public debate and comment about the activities of law enforcement and the rhetoric that has been used to disparage and malign these dedicated public servants and the law enforcement agencies in which they serve. I submit that law enforcement deserves better. We owe these men and women our respect, appreciation and public, moral and financial support.

The gruesome fact is that there are increasing threats against the safety and lives of law enforcement officers—the bombing of offices in Texas only yesterday, the Oklahoma City bombing, reports of attacks against park rangers, Forest Service employees, Treasury employees and others. The dedicated men and women in Federal, State, and local government and law enforcement work long hours for limited financial reward in order to serve the public, protect us and preserve our freedom.

It is in this context that I am concerned that the House of Representatives has again voted to cut law enforcement resources. The House voted on May 16 to cut $300 million from the President's request for the violent crime reduction trust fund for fiscal year 1997. Last year the House voted to offset certain tax reduction proposals by cutting $5 billion from the violent crime reduction trust fund. Invading the violent crime reduction trust fund makes it impossible to pay for the law enforcement and crime prevention programs of the Violent Crime Control Act of 1994. This is bad policy and will

lead to weakened law enforcement. I hope and trust that our Senate colleagues will reject this cut in funding to Federal law enforcement and Federal assistance to State and local efforts.

When we passed the Violet Crime Control and Law Enforcement Act in 1994, we paid for its programs. A trust fund was established from the downsizing of the Federal Government by some 250,000 jobs. The violent crime reduction trust fund contains funds dedicated to law enforcement and crime prevention programs, and is intended in large part to provide Federal financial assistance to critical Federal, State and local needs. Since passage of the Violent Crime Control Act, the U.S. Department of Justice has been doing a tremendous job getting these resources to the field. I commend the Associate Attorney General John Schmidt and Chief Joe Brann, who direct the community policing programs, for their quick work. I know that funding to assist local law enforcement to hire additional officers went out almost immediately based on a simple, one-page application. Vermont received commitments of over $3 million toward 64 new officers in 34 jurisdictions, for example.

The House would have us turn our backs on law enforcement and prevention programs and the commitments we made in the Violent Crime Control Act. Law enforcement and community-based programs cannot be kept on a string like a yo-yo if they are to plan and implement crime control and prevention programs. Funding for important programs implementing the Violence Against Women Act and our rural crime initiatives should not be delayed or cut again. What we need to do is to follow through on our commitments, not to breach them and violate our pledge to law enforcement, State and local government and the American people. Invading trust funds dedicated to crime control purposes is no way to proceed and no way to restore people's trust and respect for government and the commitments that it makes.

I will continue to work with the Attorney General and my Senate colleagues to reject the ill-advised House action. I will work to preserve the violent crime reduction trust fund so that we can fulfil the promise of the Violent Crime Control and Law Enforcement Act and our commitment to do all that we can to reduce violent crime in our local communities. This is not the time to undercut our support for Federal law enforcement or the assistance provided State and local law enforcement. We offer this amendment as an embodiment of the Senate's resolve against the House-passed cuts to the violent crime reduction trust fund and reductions in funding of Federal, State, and local law enforcement. The House-passed cuts to law enforcement funding are not the way to show our support for those women and men whom we ask to protect public safety and preserve our precious freedoms.

THE PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 4037) was agreed to.

AMENDMENT NO. 4027 TO AMENDMENT NO. 4012

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I call up the second-degree amendment No. 4027 to the Harkin-Specter amendment 4012.

The PRESIDING OFFICER. If there is no objection, then, the question is on agreeing to amendment 4027 as an amendment to 4012.

Who yields time? The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I will take my 30 seconds in support of the amendment. This would take the place of the Specter-Harkin amendment which had added $2.7 billion, more or less, to one function of the Government. Instead of doing that, the Senator from New Mexico adds $4 billion to the overall budget and it can be used for education and the other purposes within it. This can amount to a nondefense discretionary freeze spending level and we have arrived at that as a freeze off the 1996 consolidated rescissions bill. Once one had it all figured out, this is the amount of money required to make it a freeze.

Mr. EXON. I will yield our 30 seconds to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Senator DOMENICI is proposing a second-degree amendment which increases funding for education, job training and health by $2 billion and funding for nondefense discretionary programs by $5 billion overall. The Domenici amendment is not all the funding we need for the programs including title I and Head Start and I would propose the options in my amendment; however I do support this amendment and its modification because it is an important step in the right direction. I do support the amendment.

Mr. GRAMM. Mr. President, is there time available in opposition to the amendment?

Mr. DOMENICI. There should have been. I yield 30 seconds to the Senator to speak in opposition.

Mr. GRAMM. Mr. President, I am strongly opposed to this amendment. I want my colleagues to look at some simple numbers. Last year in the budget resolution for fiscal year 1996 we adopted a budget that called for spending on discretionary nondefense accounts in fiscal year 1997 of $255 billion. The budget before us now calls for discretionary spending for the same year of $267 billion, so that we have increased nondefense discretionary in this budget $12 billion above last year's budget resolution. If we adopt this amendment we will be at $271 billion, and we will have increased nondefense discretionary spending by $16.7 billion above the level we called for in last year's budget resolution.

Either we are serious about controlling spending or we are not. It is something we are capable of controlling. I strongly oppose it.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I ask unanimous consent I be granted 30 seconds. The Senator from Texas spoke for a minute.

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

Mr. DOMENICI. I think he would give it to me anyway. I should not say that about how long he took.

Fellow Republicans, I want to speak to you first. The estimates on tax receipts are up $15 billion over what is in this budget resolution. What I am trying to do, so you will all know, is to make sure we do not end up like we did last year. I have talked to JOHN KASICH, chairman of the Appropriations Committee, and they want us to pass this so we can figure out exactly where we are, rather than end up precisely where we were last year. If you want to end up that way, you vote with Senator GRAMM. If you want to give us a chance to get by without last year, you vote for my amendment.

I yield the floor.

Mr. EXON. Mr. President, I ask unanimous consent for 10 seconds for the Senator from Iowa.

The PRESIDING OFFICER. Is there objection? The Senate will please come to order.

The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, all I want to say is this is still below the CBO freeze. Period.

Mr. EXON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment No. 4027. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced, yeas 75, nays 25, as follows:

[Rollcall Vote No. 153 Leg.]

YEAS—75

Akaka	Domenici	Kohl
Baucus	Dorgan	Lautenberg
Bennett	Exon	Leahy
Biden	Feinstein	Levin
Bingaman	Ford	Lieberman
Bond	Frist	Lugar
Boxer	Glenn	Mikulski
Bradley	Gorton	Moseley-Braun
Breaux	Graham	Moynihan
Bryan	Grassley	Murkowski
Bumpers	Gregg	Murray
Burns	Harkin	Nunn
Byrd	Hatch	Pell
Campbell	Hatfield	Pressler
Chafee	Heflin	Pryor
Cochran	Hollings	Reid
Cohen	Inouye	Robb
Conrad	Jeffords	Rockefeller
D'Amato	Johnston	Sarbanes
Daschle	Kassebaum	Shelby
DeWine	Kennedy	Simon
Dodd	Kerrey	Simpson
Dole	Kerry	Snowe

Specter	Thompson	Wellstone
Stevens	Thurmond	Wyden

NAYS—25

Abraham	Grams	McConnell
Ashcroft	Helms	Nickles
Brown	Hutchison	Roth
Coats	Inhofe	Santorum
Coverdell	Kempthorne	Smith
Craig	Kyl	Thomas
Faircloth	Lott	Warner
Feingold	Mack	
Gramm	McCain	

The amendment (No. 4027) was agreed to.

The PRESIDING OFFICER. The question now occurs on Amendment No. 4012 as amended.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

PROVIDING FOR A CONDITIONAL ADJOURNMENT OR RECESS OF THE SENATE AND THE HOUSE OF REPRESENTATIVES

Mr. LOTT. Mr. President, I send a concurrent resolution to the desk providing for a conditional adjournment of Congress and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the resolution.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 60) providing for a conditional adjournment or recess of the Senate and the House of Representatives.

Mr. LOTT. Mr. President, I ask unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table.

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

The concurrent resolution (S. Con. Res. 60) was agreed to as follows:

S. CON. RES. 60

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Thursday, May 23, 1996, Friday, May 24, 1996, or Saturday, May 25, 1996, pursuant to a motion made by the Majority Leader or his designee in accordance with this resolution, it stand recessed or adjourned until noon on Monday, June 3, 1996, Tuesday, June 4, 1996 or until such time on that day as may be specified by the Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Thursday, May 23, 1996, it stand adjourned until 2:00 p.m. on Wednesday, May 29, 1996, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 4012, AS AMENDED

The PRESIDING OFFICER. The question now occurs on agreeing to Amendment No. 4012, as amended.

The amendment (No. 4012), as amended, was agreed to.

Mr. DOMENICI. Mr. President, I think we have an understanding that Senator ROTH will proceed with his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Delaware is recognized.

Mr. EXON. Before Senator ROTH starts, I ask the chairman of the committee, we have how many amendments left that we are going to vote on? As I understand it, we have Byrd that requires a vote, Roth that requires a vote, and McCain, and final passage.

Mr. DOMENICI. Correct. That is what I understand.

Mr. EXON. What we have agreed to earlier, we are trying to get out of here for at least one-half hour, between 4 to 4:30. It seems to me that we could probably have final passage by no later than 5:15.

Mr. DOMENICI. I think that is probably correct, I say to the Senator.

Mr. EXON. Is that the assumption under which we are working, then? We have one more vote at least, and then go to a half-hour recess?

Mr. DOMENICI. Are we going to have a half-hour recess?

Mr. EXON. That is what I agreed to with both the majority leader and the minority leader.

Mr. DOMENICI. All right. If our leader agreed it to, I am all for it. I asked the Senator to ask him. That is fine. We are going to vote on Roth, and then recess for 30 minutes. All right.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

AMENDMENT NO. 4025

Mr. ROTH. Mr. President, the Roth resolution simply states that Congress would give Amtrak a secure and reliable source of funding for capital expenditures. The rail trust fund would be funded by transferring revenues from the 0.5-cent excise tax that is currently going into the mass transit account to a newly created rail trust fund.

While Amtrak would have $2.8 billion for capital expenditure over 5 years, the existing $5.4 billion surplus in the mass transit account—the mass transit would continue to have billions of dollars in excess of its anticipated appropriations.

Mr. President, I urge my colleagues to support my amendment.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Senator GRASSLEY wants to speak in opposition. I yield to Senator GRASSLEY 30 seconds.

Mr. GRASSLEY. This budget resolution, all 50 hours of debate and all the many hundreds of pages, is about balancing the budget, which is long overdue and it is something that we should do. The Roth amendment, the next amendment, establishes a whole new entitlement, something we should not do.

OMB expresses concern that this new funding source for Amtrak is wrong and it takes money from your local mass transit for Amtrak, something we should not do. So why threaten the solvency of our mass transit accounts? Balance the budget. No more entitlements.

Mr. BAUCUS. Mr. President, I rise in strong support of the amendment offered by the Senator from Delaware.

As my colleagues will recall, I offered a similar amendment last year on the budget resolution. Unfortunately, we lost by one vote. I have been pressing the concept of a dedicated revenue source for Amtrak for quite some time now and I welcome the opportunity to voice this support again.

Mr. President, the resolution before us is a sense of the Senate resolution that Congress should provide Amtrak with the revenue from one-half penny of the Federal gas tax that is now directed to mass transit.

This revenue will provide Amtrak with a steady, dedicated revenue source. This is very important if Amtrak is to be able to make long-term planning decisions that will enable it to become financially viable in the future.

Amtrak is a key component of this Nation's transportation system. In my home State of Montana, many residents rely on Amtrak's service to travel to and from the State. Amtrak means jobs. It means increased tourism. And it means increased access and mobility for Montanans.

And for any of you who have ever traveled on the Empire Builder through the northern tier of my State, you know the tremendous beauty along the Montana hi-line.

Some will argue that redirecting the one-half penny from mass transit to Amtrak will adversely affect mass transit programs. That is simply not true. There is an over $5.4 billion cash surplus in excess of obligations in the mass transit account. That is more than enough to fund mass transit programs for the foreseeable future.

Mr. President, rural transportation programs seem to be constantly under attack. Rural areas are struggling. We continue to see a decline in rural transportation options—funding for rural air service, rural transit and highway programs is declining. This amendment is one small step forward in turning back this trend.

The PRESIDING OFFICER. The question occurs on agreeing to amendment No. 4025.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Might I correct my statement? I understand that all we have agreed to—we do not have to go in recess. The next vote will occur at 4:30.

Mr. EXON. After the Roth vote.

Mr. DOMENICI. The next vote after this one will occur at 4:30. I ask unanimous consent for that.

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

The question now occurs on agreeing to amendment No. 4025.

Mr. ROTH. I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been ordered.

The question occurs on agreeing to amendment No. 4025. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 57, nays 43, as follows:

[Rollcall Vote No. 154 Leg.]

YEAS—57

Akaka	Exon	Mikulski
Baucus	Feingold	Moseley-Braun
Bennett	Feinstein	Moynihan
Biden	Ford	Murkowski
Bingaman	Harkin	Murray
Boxer	Hatch	Nickles
Bradley	Hollings	Pell
Breaux	Inouye	Pressler
Bryan	Jeffords	Pryor
Bumpers	Johnston	Reid
Burns	Kennedy	Robb
Byrd	Kerrey	Rockefeller
Chafee	Kerry	Roth
Cohen	Kohl	Sarbanes
D'Amato	Lautenberg	Simon
Daschle	Leahy	Snowe
DeWine	Levin	Specter
Dodd	Lieberman	Wellstone
Dorgan	Lott	Wyden

NAYS—43

Abraham	Gorton	Mack
Ashcroft	Graham	McCain
Bond	Gramm	McConnell
Brown	Grams	Nunn
Campbell	Grassley	Santorum
Coats	Gregg	Shelby
Cochran	Hatfield	Simpson
Conrad	Heflin	Smith
Coverdell	Helms	Stevens
Craig	Hutchison	Thomas
Dole	Inhofe	Thompson
Domenici	Kassebaum	Thurmond
Faircloth	Kempthorne	Warner
Frist	Kyl	
Glenn	Lugar	

The amendment (No. 4025) was agreed to.

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

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAMS. 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. GRAMS. Mr. President, I ask unanimous consent that I be allowed to speak for 12 minutes as in morning business.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Minnesota is recognized.

Mr. GRAMS. I thank the Chair.

(The remarks of Mr. Grams pertaining to the introduction of S. 1805 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. GRAMS. Thank you, Mr. President.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. KENNEDY. I would like to be able to proceed for 4 minutes as if in morning business.

The PRESIDING OFFICER (Mr. GREGG). Without objection, it is so ordered.

INCREASING THE MINIMUM WAGE

Mr. KENNEDY. Mr. President, today's action by the House of Representatives removes one of the Republican's obstacles to successful action on the minimum wage. An overwhelming majority of House Republicans, 81 percent, tried to kill the increase by attaching a ''poison pill'' to exempt all workers of small business, but 43 courageous Republicans stood up to the extremists in their party and spit out the poison pill.

As the price for accepting an increase, House Republicans tried to deny any minimum wage at all for millions of men and women who work for small business. It was a Republican sneak attack on the minimum wage, and it did not deserve to pass. The minimum wage is supposed to be a floor. It is wrong for Republicans to try to turn that floor into a trap door.

The Republican philosophy seems to be the only good minimum wage is no minimum wage. It is bad enough that in today's economy, America has to compete with sweatshop labor overseas. If the Republicans have their way, American workers and American employers will have to compete with sweatshop labor right here in our own backyard. How very Republican. Every previous Congress that dealt with the minimum wage voted to expand coverage and give the benefits of the law's protection to more and more Americans. Now is no time to roll back that progress. It is time to end the Republican war on hard-working American families, and I am confident the Senate will also reject any Republican scheme to roll back the minimum wage. No one who works for a living should have to live in poverty.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRAIG. 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. CRAIG. Mr. President, I ask unanimous consent that I be allowed to speak in morning business for no more than 5 minutes.

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

FOREST HEALTH

Mr. CRAIG. Mr. President, within an hour or so, we will be adjourning and out for the Memorial Day recess. But when we return, it is my plan to mark up legislation in the Public Lands and Forestry Subcommittee that I chair, dealing with forest health, the health of the forests of our country.

For well over a decade now, we have studied the issue of how to manage our forests in light of the recurrence of wild storm style forest fires that continue to devastate our forests across the Pacific Northwest and across the Southwest every time we get into a dry period, especially the kind the Southwest, New Mexico and Arizona and Colorado, are experiencing at this moment.

What we have found, Mr. President, is that in our great ability to put out fires, we have allowed to build up on our forest floors, massive amounts of fuel in the form of dead and dying trees as a result of bug kill, as a result of fungus, or simply as a result of the overpopulation of our trees and therefore their death because of lack of moisture. In my State of Idaho and across the inland West, where before man came to that region we had tremendously healthy forests and populations of trees of 40 or 50 or 60 trees per acre, now, because of our ability to put out fires, we are finding that we have 300 and 400 trees per acre. Of course, there is only so much moisture. When we get into a drought cycle, there is not enough moisture to keep all of those trees alive.

What we are finding is that before we had this tremendous ability to put out fires, fires would come along on a relatively regular basis, caused by lightning strikes or actually caused by native Americans who saw the useful tool of fire. It would burn at a low rate, at a low pace, burn off the shrubbery and the brush, allow the mature trees to stand and allow young trees that had reached a certain age to survive. That kept the forests, primarily of the West, in a very productive and rather pastoral form.

But that changed and it has changed dramatically over the last 50 years, as we learned to put out fires. But we did not go in and do what Mother Nature was doing, and that was to thin trees or to take down the underbrush. As a result of that, we have had a massive fuel loading in many of the forests of the West and Southwest.

Mr. President, you and I have witnessed, in the last several months, fires in New Mexico and Arizona and now in Colorado that, by our forest scientists'

estimation, are the most intense and hottest wild fires we have ever experienced. As a result, Mother Nature is not served well. These fires devastate the forests, leaving not even a snag standing, destroy the ecosystems, and scald the soil in a way there is little to no recovery for a period of years and years. Those are not normal fires. They are abnormal fires, as a result of massive fuel buildup.

I was visiting with the Senator from New Mexico, Senator DOMENICI, about the fires in his State. One of those areas that was burned had been devastated by beetles. Better than 50 percent of the stand was dead. Yet, because of current law and because of certain interest groups, we were not allowed to go in and thin and clean and allow new growth to start. As a result of that, fire swept through there and destroyed the whole area.

S. 391, the bill that I have worked for over a year to craft, visiting with scientists, holding hearings, and making sure we build a strong bipartisan effort, better known as forest health legislation, the kind I want to mark up as soon as we get back here in early June and bring it to the floor for a debate, hopefully it can become law and become the public policy and a new management tool for our U.S. Forest Service.

It would allow the Forest Service to go in and look at these lands and under current environmental law assure they have the flexibility to go in and thin and remove brush and actually even use fire in a selective way, to assure that our forests can regain their health and regain their vitality in an environmental way and not be swept away and destroyed, as the forests we have seen under fire in the last few weeks throughout the Southwest. Of course, in the State of Colorado last week, when man got in the way of the fire, or man's dwellings, they, too, were swept away, as was true in the State of Idaho in 1994 when we saw wildfires, as a result of our forest health, that were beyond man's recognition.

So I hope when we come back, we can join the wisdom of the Spokesman-Review newspaper that editorialized yesterday in my area, in the inland West, saying that we ought to pass S. 395, we ought to make good public policy, and we ought to allow, once again, strong multiple-use environmental standards to return to our public forests and to the management of those public forests. So it is my wish we mark up S. 395 and move it to become public law.

I hope in early June we can have it here on the floor of the U.S. Senate for a good debate and passage.

I yield the remainder of my time.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, for the information of the Senate, as I understand it, I believe Senator DOMENICI would confirm, we have two amendments remaining, by Senator MCCAIN and Senator BYRD, and final passage. It seems possible to me, because I know some people are trying to catch planes, if we expedite this, we could be through voting by about 5:20 or something of that nature.

I ask unanimous consent the pending amendment be temporarily set aside so Senator BYRD may offer his amendment.

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

AMENDMENT NO. 4040

(Purpose: To improve our water and sewer systems, national parks and Everglades, to be offset by closing corporate loopholes and changes in tax expenditures)

Mr. BYRD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for himself, Mr. BINGAMAN, and Mr. LAUTENBERG, proposes an amendment numbered 4040.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 3, line 5, increase the amount by $201,000,000.

On page 3, line 6, increase the amount by $408,000,000.

On page 3, line 7, increase the amount by $649,000,000.

On page 3, line 8, increase the amount by $946,000,000.

On page 3, line 9, increase the amount by $1,068,000,000.

On page 3, line 10, increase the amount by $1,142,000,000.

On page 3, line 14, increase the amount by $201,000,000.

On page 3, line 15, increase the amount by $408,000,000.

On page 3, line 16, increase the amount by $649,000,000.

On page 3, line 17, increase the amount by $946,000,000.

On page 3, line 18, increase the amount by $1,068,000,000.

On page 3, line 19, increase the amount by $1,142,000,000.

On page 4, line 8, increase the amount by $1,011,000,000.

On page 4, line 9, increase the amount by $1,049,000,000.

On page 4, line 10, increase the amount by $1,089,000,000.

On page 4, line 11, increase the amount by $1,131,000,000.

On page 4, line 12, increase the amount by $1,068,000.000.

On page 4, line 13, increase the amount by $1,110,000,000.

On page 4, line 17, increase the amount by $201,000,000.

On page 4, line 18, increase the amount by $408,000,000.

On page 4, line 19, increase the amount by $649,000,000.

On page 4, line 20, increase the amount by $946,000,000.

On page 4, line 21, increase the amount by $1,068,000,000.

On page 4, line 22, increase the amount by $1,142,000,000.

On page 15, line 16, increase the amount by $190,000,000.

On page 15, line 17, increase the amount by $118,000,000.

On page 15, line 24, increase the amount by $224,000,000.

On page 15, line 25, increase the amount by $160,000,000.

On page 16, line 7, increase the amount by $258,000,000.

On page 16, line 8, increase the amount by $222,000,000.

On page 16, line 15, increase the amount by $293,000,000.

On page 16, line 16, increase the amount by $276,000,000.

On page 16, line 23, increase the amount by $228,000,000.

On page 16, line 24, increase the amount by $312,000,000.

On page 17, line 7, increase the amount by $265,000,000.

On page 17, line 8, increase the amount by $304,000,000.

On page 23, line 15, increase the amount by $821,000,000.

On page 23, line 16, increase the amount by $83,000,000.

On page 23, line 23, increase the amount by $825,000,000.

On page 23, line 24, increase the amount by $248,000,000.

On page 24, line 7, increase the amount by $831,000,000.

On page 24, line 8, increase the amount by $427,000,000.

On page 24, line 15, increase the amount by $838,000,000.

On page 24, line 16, increase the amount by $670,000,000.

On page 24, line 23, increase the amount by $840,000,000.

On page 24, line 24, increase the amount by $756,000,000.

On page 25, line 7, increase the amount by $845,000,000.

On page 25, line 8, increase the amount by $838,000,000.

On page 52, line 14, increase the amount by $1,011,000,000.

On page 52, line 15, increase the amount by $201,000,000.

On page 52, line 21, increase the amount by $1,049,000,000.

On page 52, line 22, increase the amount by $408,000,000.

On page 52, line 24, increase the amount by $1,089,000,000.

On page 52, line 25, increase the amount by $649,000,000.

On page 53, line 2, increase the amount by $1,131,000,000.

On page 53, line 3, increase the amount by $946,000,000.

On page 53, line 5, increase the amount by $1,068,000,000.

On page 53, line 6, increase the amount by $1,068,000,000.

On page 53, line 8, increase the amount by $1,110,000,000.

On page 53, line 9, increase the amount by $1,142,000,000.

Mr. BYRD. Mr. President, I voted for the amendment that Mr. DOMENICI offered earlier. It was a good amendment. But, unlike the Domenici amendment which scattershots funds for many popular programs, my amendment targets $1.5 billion for the safe operation of our parks and $5 billion for the cleanup of our water and construction of our sewer systems, which are being neglected and run down. Our water is dirty; our parks are rundown. This is a

disgrace. There is a $25 billion backlog in clean water and sewer needs alone in this country, and the Domenici amendment does not answer this growing crisis.

Mr. President, this amendment to the budget resolution, which I offer on behalf of myself and Senators BINGAMAN and LAUTENBERG, will provide an additional $5 billion for rural water and sewer programs and $1.5 billion for our national park system. These funds are critically necessary to protect the most basic of services to America.

All across America, millions of residents in rural communities continue to suffer from inadequate water and sewer services. This need is a direct link to health, sanitation, and environmental problems in all States. This need must be addressed to provide economic vitality to these regions, to allow new job opportunities, increase the tax base, and improve the quality of life for millions of Americans.

Water and sewer loan programs have a proven track record because of their nearly zero-default rate, the best of all Federal loan programs. The grant portion of these programs allows impoverished communities and rural areas to provide their citizens the most basic of human services. These are services that most Americans take for granted every day.

A recent Federal study listed my own State of West Virginia among the five worst States in the Nation in terms of the availability of safe drinking water. There are some places in my State where the condition of the water supply is appalling, and where people are relying on water supplies from systems operating in violation of safe drinking water standards, or wells that have been contaminated. In certain West Virginia communities, on some days, tap water runs black, but families, with no other water source, are forced to bathe and launder in it.

As we approach the 21st Century, we must take steps to ensure that vast regions of our Nation will not be relegated to the living standards of a Third World Nation.

Mr. President, the estimate is that there are 3 million households in the United States in need of safe, clean drinking water. The estimated cost to provide this water is about $10 billion. It is estimated that $3.5 billion is necessary for drinking water needs deemed ''critical'', and the balance for ''serious'' requirements. At current levels, only approximately $3.5 billion would be provided over the next six years toward providing clean drinking water for our people.

An equally pressing requirement, Mr. President, is the need to provide basic sewer facilities for small communities. Millions of Americans in rural areas and small communities live without adequate sewer infrastructure. The overall cost estimates to meet these needs exceed $20 billion. At least $7.3 billion should be provided over the next 6 years to meet some of the most critical needs. My amendment will not fund all of these backlogs, but it will help address the critical requirement for the most basic of amenities that each of us takes for granted every day.

The second part of this amendment provides an additional $1.5 billion for day-to-day operations in our national parks. These funds will be used for the services Americans ought to be provided when they visit their national parks. Within the amount, $400 million is for restoration of the Everglades ecosystem in South Florida. The need to protect the fragile and decaying resources of the Everglades has been supported in recent years by both sides of the aisle.

The National Park Service has been entrusted with responsibility for 368 different historic, cultural, scenic, natural resource, and recreation sites. These locations represent a mosaic of the most American of resources, from the historic sites of our country's birth—Independence Hall, Minute Man, Valley Forge, and Yorktown—to the celebration of our cultural heritage at places such as Aztec Ruins, Fort McHenry, and the Natchez Trace Parkway, to the scenic beauty and splendor of places like Yellowstone, the Grand Canyon, Big Bend, the Everglades, Crater Lake, Mount Rushmore, Acadia, and Redwood National Parks.

But the fate of these parks is dependent on providing the necessary resources to protect the parks—to serve the visitors; to maintain the buildings, roads, and campgrounds; and to house the employees who must live within the national parks. As dollars are frozen or reduced, the parks must still pay for increased costs for people, supplies, equipment, and other tools necessary to keep the parks open. Failure to provide the funding for these activities means fewer park rangers, deferred maintenance, closed facilities and trails, and possibly dangerous conditions for park visitors.

The start of the summer vacation season, is upon us. It is at this time of year that Americans load the family into the car and depart for a visit to the parks. Providing operating dollars for the National Park Service will help keep all sites open, and will contribute to a safer experience for all Americans.

What does it mean to have inadequate resources to maintain the facilities which support visitors to the parks? Let me provide an example—if the funding isn't available to pay the people who drive the trash trucks and clean the restrooms in the park campgrounds, trash and unsanitary conditions accumulate. Build-ups of trash can attract bears, which then create a safety hazard. The presence of a safety hazard would cause the Park Service to close the campground—thereby denying visitors the opportunity to camp in a park they might have driven 1,000 miles in order to visit.

In fiscal year 1996, Members from both sides of the aisle urged adequate funding for our national parks. If the necessary allowances are not provided to address our park requirements, the Interior Appropriations Subcommittee will have little choice but to turn to other programs in order to find the resources necessary to protect our parks. This could mean reductions in programs such as low-income weatherization assistance, Forest Service timber sales, Smithsonian and other museum operations, payments in lieu of taxes, and operations of the Strategic Petroleum Reserve.

Mr. President, many Members of Congress have worked on behalf of their constituents to see that park facilities are well-maintained and taken care of properly. When water and sewer systems fail, they have sought money to fix the problem. When visitor facilities were necessary for new parks, the Appropriations Committee has provided the resources to build campgrounds, visitor centers, and rehabilitate historic buildings. But once the construction is over, and the ribbon-cutting ceremonies completed, there is still a need to operate these facilities on a day-to-day basis.

In order to pay for its increase in spending, my amendment provides for corresponding increases in revenues over the 6-year period of this budget resolution. These revenues can be attained by closing corporate loopholes and by changes in tax expenditures.

I encourage the support of Senators for my amendment. A vote against this amendment is a vote against the Statue of Liberty, Yellowstone, Independence Hall, the Grand Canyon, the Everglades, and all of the other 360 plus national park units. A vote against my amendment is a vote against the most basic amenities which a civilized country can provide for its people, clean, safe drinking water and adequate sewage facilities.

I urge the adoption of my amendment.

The PRESIDING OFFICER. The time of the Senator has expired. There is time in opposition. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, relative to the budget resolution, the Byrd amendment would increase taxes and spending by $6.5 billion. I remind everyone, there is nothing in the resolution which would cause a shutdown of the national parks. Our resolution assumes full funding for the parks, for rural water service, and for sewer programs.

In addition, might I say, even if you think you are voting for the specific targeted items, this money will go to the appropriations to be used by the Appropriations Committee where it sees fit. We already added $5 billion in budget authority and $4 billion in outlays. I think that is fair enough for today, and we ought to defeat this amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the

RECORD certain newspaper articles, together with a breakdown of the Domenici amendment, which was at the table when we voted on that amendment. I voted for it, as I say. I would like to have a breakdown in there to show what those moneys will go for, purported.

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

PARKS OFFER MORE MUCK, LESS HELP—WEATHER, BUDGETS HIT NATIONAL SITES

Fallen trees are left piled by the sides of roads. Campgrounds are being closed. Beaches are full of debris and river muck. And there aren't as many lectures on how a geyser erupts.

Tight budgets are bringing hard times to America's national parks and recreational areas, and a severe winter and flooding in many parts of the country are making this spring even worse as park officials prepared for the summer vacation rush.

Some of the millions of visitors to the national parks this year may be in for a shock as they get reduced services or find fewer park rangers, reduced hours of operation or parks still cluttered with fallen trees and washed-out trails from winter storms and floods.

''Historically, we've cut the lawns every week and made the place trim and neat,'' said Bob Kirby, assistant superintendent of the Delaware Water Gap National Recreation Area in eastern Pennsylvania. ''Today you see the grass in most places is a foot high. The picnic areas and playgrounds are completely, with one exception, filled with river flotsam, sticks and mud.''

The park, along 45 miles of the Delaware River, attracts nearly 5 million visitors a year, many of them escaping the urban sprawl from New York to Philadelphia. While costs of operation have jumped 13 percent, the park's budget has stayed the same.

Federal officials and private watchdog groups say deterioration and money shortages are imperiling parks across the country as superintendents have had to make harsh choices on how to meet expenses. Often it means reducing the number of rangers and other workers.

''Everybody likes ribbon cutting. Nobody wants to fix the roof,'' said Roger Kennedy, director of the National Park Service.

This summer some of those problems will begin to have an impact on park visitors, whose numbers are expected to exceed 270 million this year.

''Visitors are going to find trails closed. They're going to find portions of parks closed, campgrounds closed.'' Kennedy said. ''They're going to see signs that say 'Don't drink the water' in some places. They're going to find there are no ranger talks. The little things that make these places parklike''.

Problems are everywhere.

At Yellowstone in Wyoming, tow museums have been closed. A shortage of park rangers means visitors are left largely on their own in the massive park's northern sector. Lectures at the Norris Geyser Basin Museum on how a geyser works are a thing of the past.

At Delaware Water Gap, workers are struggling to fix the damaged toilets inundated by floodwaters, and only a last-minute infusion of $43,000 prevented the firing of the park's lifeguards.

To save money, 2 of the 10 campsites at the Great Smoky Mountains National Park in North Carolina and Tennessee won't open this summer. There are three seasonal rangers instead of 10, and 17 fewer maintenance workers.

Fewer rangers are at the Sequoia National Park in California, and the season has been shortened. At another great northern California park, Yosemite, and at many other parks and recreational areas around the country, trash won't be picked up or toilets cleaned as frequently.

''We can no longer do more with less,'' said Mike Finley, Yellowstone's superintendent. Each year, he complained, the park is expected to ''absorb increasing costs and maintain the same levels of . . . services'' for a growing number of visitors.

Similar sentiments are expressed daily by park officials and rangers across the country.

With Congress mindful of the parks' popularity, the National Park Service has avoided the deep budget cutting faced by some other Interior Department agencies. The park service received $1.08 billion, about 1 percent more than last year, to operate its parks and will get an additional $46 million for storm and flood damage repairs.

But park supporters maintain that more money is needed.

The budget ''doesn't keep up with inflation,'' said Paul Pritchard, president of the National Parks and Conservation Association, a private watchdog group. ''It's not one region. It's the whole national park system that is being neglected.

The association Tuesday released the findings of a poll it commissioned that showed the public by a 4-to-1 margin would not oppose increasing federal funding for operation of national parks.

Park superintendents have had to make tough choices. At most parks the number of seasonal workers—both rangers and maintenance workers—has had to be reduced. Many parks have cut back in garbage collection and toilet cleaning. Fewer park rangers are faced with a growing number of visitors and a wider array of law enforcement problems, leaving less time for tours and educational lectures.

''All the parks are struggling,'' said Elaine Sevy, National Park Service spokeswoman in Washington. She said more than 900 authorized jobs are unfilled throughout the system because there's no money to pay for them.

PARKS HIT IN THE POCKETBOOK

A sampling of conditions at national parks, monuments and recreational areas around the country:

Great Smoky Mountains in North Carolina-Tennessee—Two of 10 campsites and adjoining picnic areas are closed and won't open this summer. Both remote, they are the 92-site Look Rock Campground in Tennessee and the 46-site Balsam Mountain Campground in North Carolina. The number of seasonal maintenance workers has been cut from 65 to 48, the number of seasonal rangers from 10 to three. One of the three visitors centers has been turned over to a private group to operate. Cleanup from extensive winter storm damage has been postponed. Some will not be completed this summer, although $1.4 million recently was allocated to the effort.

Yellowstone in Wyoming—The Norris Campground will be closed in the northern part of the park, eliminating 116 of 2,100 campsites. Two museums in the same area—Norris Geyser Basin Museum and the Museum of the National Park Rangers—are closed. Visitors can travel in the northern area but have neither tours nor ranger briefings available. Seasonal employees will work shorter schedules, and garbage collection is less frequent. A four-hour hike to the petrified forest on Specimen Ridge is being discontinued. A ban on overtime has delayed snowplowing, keeping some roads blocked later than normal.

Yosemite in California—A pothole-spotted road leading to Yosemite's Lower Pines Campground is unlikely to be repaired this year. Work to renovate restrooms and upgrade the park's amphitheater has been put off. Garbage collection and toilet cleaning have been cut back. Officials hope to repair flood damage that closed part of the park. Hours have been cut back for tours and at visitor centers. Fewer rangers patrol mountainous trails, but spokesman Scott Gedlman said essential services—law enforcement, clean drinking water, emergency medical aid—are being maintained.

Delaware Water Gap Recreation Area in Pennsylvania—The park has been hit by ''a double whammy,'' said Bob Kirby, assistant superintendent—first the budget crunch, then severe floods that put under water much of the 40-mile stretch along the Delaware River in eastern Pennsylvania. Its budget wasn't increased, but the park's costs jumped 13 percent. Kirby said extensive storm damage to beaches and trails along the river must be repaired. Grass isn't being cut as often, and flooding left debris and mud on the beaches and inundated public restroom facilities and picnic areas.

Sequola in California—The tight budget means fewer park rangers and a shorter summer season. Park spokeswoman Malinee Crapsey said many of the recreational facilities may open a week later than usual. Rangers will conduct fewer tours. Park officials also are turning more toward private groups to help sponsor programs.

Cape Hatteras Seashore in North Carolina—Trash collection has been cut in half, but some slack has been taken up by private volunteer groups. Park spokesman Bob Woody said visitor services are being maintained, and the park has more educational programs than last year. But tourists trying to call the Hatteras ranger station near the famed striped Hatteras Lighthouse often have to talk to an answering machine because rangers are busy elsewhere.

Acadia in Maine—Eight or nine fewer summer employees are being hired, and fewer nature briefings and tours are being conducted by park rangers. But most visitors ''will not notice any reduction in service,'' said Len Bobinchock, the park's deputy superintendent. ''These programs are so popular, we've had to put a limit on the number of people who can participate anyway.'' Hours are not being changed.

Crater of the Moon in Idaho—Park officials say they haven't been hit very hard. The area features a broad swath of lava formations from old volcanoes, and some walking trails have buckled and need to be repaired. The monument is building a scenic motoring loop, and some areas may be closed by the construction.

IT'S A FACT: RURAL AMERICA STILL EXISTS

(By Larry Rader, Program Specialist)

[From West Virginia Rural Water Magazine—Spring 1996]

It was a dreary, rainy February day, the kind you only find at the bottom of a deep hollow and I was standing in mud up to my ankles looking at a dilapidated water treatment plant. I had been in this same scene a hundred times over the past ten years, but this time there was something different. I had company and a lot of it. Jim Anderson of RECD (I'mIIA to those of us who can't get used to the name change) had called me the previous week and requested that I take part in a fact finding tour of McDowell County, West Virginia on February 22, 1996. Jim is RECD's state project officer for Water 2000. The Water 2000 initiative is a combined effort of federal, state and local agencies committed to providing potable drinking to all

rural residents of the United States by the year 2000.

The McDowell fact finding tour was initiated by Senator Robert C. Byrd and planned by Bobby Lewis, State Director of RECD. Mr. Lewis is from McDowell county and rightly felt that this area of the state typifies many of the problems facing not only West Virginia, but rural areas across the country. Senator Byrd is also from a rural area of Raleigh County and realizes that the view from Washington sometimes becomes a little clearer when taken from the bottom of a hollow in the mud and rain. The tour consisted of both staff members and elected officials federal, state and local. Those who needed help and those who could provide it, all in the same hollow, same rain, same mud and same good spirits. It was an opportunity to reaffirm the existence of rural America and its needs. McDowell County PSD operates a mish-mash of twelve dilapidated systems abandoned by various coal companies over the years. System personnel must travel 120 miles each day just to check the small treatment plants. And forget water loss percentages! Just keeping water in the decaying lines is a triumph. It is a minute by minute struggle most of us could never envision.

Water quality and quantity in the old systems are inconsistent at best, however, right smack in the middle of this drinking water nightmare sets two water treatment facilities which would be the pride of any community. The new facilities at Coalwood and Caretta, both treatment and distribution, were designed by Stafford Consultants and completed in 1994. Almost overnight 350 households had access to something most people take for granted, a dependable supply of safe drinking water. Although the Coalwood and Caretta systems were funded primarily through RECD in the form of loans and grants, McDowell PSD has applied to ARC, AML, Small Cities Block Grants as well as RECD, all of whom were represented on that wet day in an attempt to upgrade the remaining 12 communities.

Rural people have always been willing to share in the cost of providing essential services. However, they must have access to agencies, both federal and state, which understand their problems and are sympathetic to the uniqueness of their situation.

Beginning in the 1950's RECD for instance, has provided over $203,000,000 in low interest loans and grants to over 200 water and waste water systems statewide and is either wholly or partially responsible for most of the rural systems built in West Virginia since that time. But you occasionally need to remind other people that not only does the need still exist, so do the possibilities.

We are very proud that WVRWA was included in the February 22, 1996 Fact Finding Tour of McDowell County. We are always ready to plead the case for rural America and it gave me the opportunity to visit with people who can and do make a difference. As always, I am extremely proud of the people at McDowell PSD. Jeannie, Ralph, Bill, Randy, the other employees along with that PSD Board of Directors and the McDowell County Commission are proof that it can work in rural areas. Many of us never doubted it.

FACT FINDING TOUR MCDOWELL, COUNTY—FEBRUARY 22, 1996 PARTICIPANT LIST

Bobby Lewis, State Director, RECD-WV.

John Romano, Assistant Administrator, Rural Utilities Service, Washington, DC.

Galen Fountain, Minority Clerk, Subcommittee on Agriculture & Rural Development, Senate Appropriations Committee Senator Dale Bumpers' (D-AK) Office, Washington, DC.

Ralph Goolsby, ARC Program Director, WV Development Office, Charleston, WV.

Jim Anderson, Rural Development Coordinator, RECD WV.

Terri Smith Legislative Assistant, Senator Robert C. Byrd's Office, Washington, DC.

Dawn Dunnings, AmeriCorp.

Sanjay Saxena, Program Coordinator, National Drinking Water Clearinghouse, Morgantown, WV.

STATE'S DRINKING WATER SUPPLY WORSENING, STUDY SAYS

(By Julie R. Cryser)

It would take $162.3 million to clean up and provide potable water to approximately 79,000 West Virginians, according to a study conducted by a federal agency.

It would take another $405.7 million to meet the worsening, but not yet critical, drinking water supply situation of about 476,000 West Virginians.

And amid all of these problems, the federal government is cutting federal grants and loans for water projects. West Virginia will lose approximately $5 million in loans and $3.2 million in grants for water and sewer projects in 1996, according to Bobby Lewis, state director for Rural Economic and Community Development.

''The cuts overall are devastating to a state like West Virginia that has always been at the bottom of the list for funding for projects,'' Lewis said.

These figures come from the West Virginia Water 2000 assessment, part of the Clinton administration's high-priority Water 2000 initiative. The program is aimed at providing safe drinking water to the 1 million Americans without water piped directly into their homes.

Clay, Barbour, Boone, Fayette and Lincoln counties are ranked as the counties with the worst drinking-water problems in the state, Lewis said. Most of the problems stem from untreated water or people using wells that are semicontaminated or not treatable, he said.

The study was conducted by the U.S. Department of Agriculture and state and local government agencies. The West Virginia Rural Water Association and the Regional Planning and Development Council helped to develop a list of more than 200,000 households with water that is undrinkable.

''There are still people out there we didn't get on our list,'' Lewis said.

He estimates that at least half of West Virginians have water systems that pump out water that should not be consumed.

''Some places you can hardly bathe in it,'' he said.

Lewis said the study will help draw attention to deplorable water conditions in the state. The project could also help qualify some areas for USDA-funded projects under the Water 2000 project guidelines.

''There is a serious need for some type of assistance for these small communities in rural West Virginia,'' he said, ''If you don't have water, you can't attract industry or people.''

WHERE THE COMMONPLACE IS PRIZED—QUARTER OF WEST VIRGINIANS LACK ACCESS TO MUNICIPAL WATER

(By Michael Janofsky)

For nearly a century, most residents of this tumbledown mountain hamlet have been drawing their drinking water from a common well on a hillside just above the town's 70 houses.

Three years ago state officials found that the water was contaminated with pollutants, and issued an order to boil it before drinking.

Like most other people in Campbelltown, Carroll Barlow says it is high time that she and her neighbors are finally hooked up to the municipal water system in Marlinton, less than a mile away. But neither the state nor the local governments can afford to pay for the pipes or the pumps to carry the water up the valley.

''I hope I live long enough to get safe water in this house,'' said Ms. Barlow, 55, who says she has to clean her sinks and toilet twice a day to deal with rust-colored stains that the water from the well leaves behind.

State officials say no medical problems can be traced to the water, but Ms. Barlos is not taking any chances. She uses the well water only for washing and buys drinking water in 69-cent gallon jugs at the Foodland grocery store in Marlinton.

From small communities like Campbelltown to isolated hollows with no names, access to reliable supplies of clean drinking water has long been a problem in West Virginia. The state's rugged geography, coupled with the endemic poverty of rural Appalachia, has strictly limited the ability of both local and state government to extend water lines everywhere. Neither the state nor the Federal Government is required to connect isolated residents to existing water systems, and, given the nation's tight-budget environment, money to build water or sewage systems to our spur economic development in rural areas is likely to become increasingly scarce.

''We just can't do everything,'' said W.D. Smith, a director of the Appalachian Regional Commission, a Federal agency that helps promote economic development but is a perennial target of budget-cutters in Congress.

Mr. Smith said that with so many communities seeking financing for new systems, only those that can demonstrate an unusually urgent need or immediate economic benefit will succeed.

''We've got a third-world situation here,'' he said. ''I've seen human suffering, old people, people coming to me in tears. But I always have to ask them, 'What's so unusual about your situation?' It's not enough anymore just to say they don't have any water.''

A recent study by the Agriculture Department concluded that more than a million people living in rural sections around the country, including large parts of the Mississippi Delta and areas along the Mexican border, did not have clean drinking water piped into their homes. But experts say no other state has so large a percentage of its population unserved by municipal systems as West Virginia. By the state's own estimate, almost a quarter of its 1.8 million people have no access to municipal water, and 40 percent are not served by public sewerage.

West Virginians who do not get municipal water rely mostly on wells; in places, a single well serves an entire community. Water drawn from these wells must in some cases be boiled or chemically treated to remove impurities like contaminants that seep into underground water reservoirs from abandoned coal mines. People living near active mines are especially vulnerable to pollution; even subtle shifts in rock formations can unloose new contaminants into the aquifers that supply well water, or even destroy the aquifers.

Despite Senator Robert C. Byrd's legendary ability to funnel Federal money home for West Virginia's highway system and other programs, officials say state agencies have only recently focused on water and sewerage needs to bolster economic development. Last year, voters approved a $300 million bond issue for water and sewerage.

''More people are being served now,'' said Amy Swann, a division director at West Virginia's Public Service Commission. ''But there will always be people who won't be served. It's just too expensive to spend $1

million to construct a water line to hollows where 12 people live.''

State officials say water problems exist in all 55 of West Virginia's counties but most acutely in the rugged eastern half of the state. Here, amid thick forests of maple, elm and oak trees, gurgling rivers and dazzling scenic overlooks, dozens of small communities, some with fewer than 100 residences, straddle narrow mountain roads that once served rich coal mines and timber fields.

The coal and timber industries are long past their peak, but many of the children and grandchildren of the workers remain, drawing from the same wells or roadside springs, some in use for more than 60 years. Most of the people are now too old, too poor or too proud to move.

In Marlinton itself, the latest problem is that officials do not have the $3 million needed to carry water from the town's water plant to the new hospital, which was built on a hill to keep it high and dry above the flood-prone banks of the Greenbrier River.

For now, the hospital, scheduled to open this summer, will draw its water from the well that serves the local school, across the street. ''We're struggling to find the funding,'' said Douglas Dunbrack, the Marlinton Mayor, who doubts that the well water supply will be adequate for the hospital, intended to serve some 9,000 people in eastern West Virginia. ''We need a big-time grant, but there's just no money available.''

WATER SUPPLY UNSAFE FOR MANY WEST VIRGINIANS

The U.S. Department of Agriculture (USDA), through its Rural Economic and Community Development (RECD) offices in West Virginia, has completed a four-month assessment of the state's most pressing safe drinking water system investment needs. The assessment is part of the Clinton administration's high priority Water 2000 initiative, which, according to RECD state Director Bobby Lewis, ''aims to deliver safe drinking water to the estimated one million rural Americans currently living without water piped directly into their homes.''

In a related development, the U.S. Congress recently sent to President Clinton a 1996 appropriations bill that produces a 30 percent funding cut below 1995 levels for safe drinking water and sanitary sewer project construction.

West Virginia's Water 2000 assessment results show that the state's rural towns have come a long way in solving their safe drinking water problems over the past quarter century, but still have a lot of gaps to fill. According to the results, the 50 West Virginia communities with the most pressing needs require a combined investment of $162.3 million to serve approximately 79,000 people who now have serious drinking water quality or quantity problems. Additionally, some $405.7 million will be required to meet the worsening but not yet critical drinking water supply situation of some 476,000 West Virginians in 443 communities.

The Water 2000 assessment was conducted by USDA's West Virginia-based personnel, together with state and local government agencies, and representatives of two nonprofit organizations—the West Virginia Rural Water Association and the Regional Planning and Development councils.

Historically, the USDA's water and sewer loan and grant program has been the primary funding source for rural communities seeking to improve their public health, job development and fire protection situations by constructing and improving water and sewer systems. The USDA's Rural Utilities Service (RUS), as part of Water 2000, has begun to better target its loans and grants to lower income, remote rural communities with the nation's most pressing drinking water quality and quantity problems. The USDA's water and sewer loan program, in its 55-year history, has loaned out $14 billion, and lost only $14 million—a loss rate of one-tenth of one percent.

Wally Beyer, Washington-based administrator of the RUS, said that West Virginia water and sewer projects received $16.8 million in loans and $10.5 million in grants in fiscal year (FY) 1995 from this federal source. Approximately 60 percent of those funds were invested in safe drinking water projects. According to Beyer, based on funding cuts recently approved by Congress and signed into law, West Virginia will lose approximately $5 million in loans and $3.2 million in grants for such projects in FY 1996, which started on October 1.

''These cuts will hurt rural West Virginia towns that need to invest in very basic community drinking water improvements for their residents.'' Beyer said. ''At the level of funding the Congress has provided for 1996, it will take at least 14 years to solve West Virginia's most critical rural drinking water problems, and at least 35 years to make all of the improvements identified in the just-completed Water 2000 assessment.''

RURAL WATER NEEDS TO BE ADDRESSED

A U.S. Department of Agriculture official will be in McDowell County today, examining rural drinking water needs, Sen. Robert C. Byrd's office reported.

John Romano, USDA assistant administrator for rural utilities service, will be joined in his tour by local leaders including Bobby Lewis, the USDA's state director for Rural Economic and Community Development.

''In follow-up to a recent study conducted by the USDA on the nation's water needs, which ranked West Virginia among the five states in greatest need of safe drinking water, I urged Agriculture Department officials to take a fact-finding trip to West Virginia,'' Byrd said in a prepared statement.

Byrd said current funding for the rural development portion of the USDA cannot keep up with the demand for safe drinking water, yet it is one of the programs suffering in the battle for a balanced federal budget.

''It is important for federal officials to understand the challenge we are certain to face if our nation continues to neglect our infrastructure investment deficit,'' Byrd said.

DOMENICI AMENDMENT

Increase non-defense discretionary spending limits in FY 1997 by: $5 billion in budget authority, $4.1 billion in outlays.

Changes (in millions) the following areas in FY 1997:

	Budget Authority	Outlays
Science, Space	200	100
Energy	900	200
Agriculture	300	200
Commerce and Housing	400	300
Transportation	1,500	700
Comm. and Reg. Dev	1,100	100
Services	1,700	800
Health	300	600
Medicare	200	200
Income Security	400	200
Net Interest	100	100
Allowances	−2,100	900
Total adds	5,000	4,100

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have not been ordered.

Mr. EXON. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arizona [Mr. BUMPERS] is necessarily absent.

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

The result was announced—yeas 45, nays 54, as follows:

[Rollcall Vote No. 155 Leg.]

YEAS—45

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

NAYS—54

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

NOT VOTING—1

Bumpers

The amendment (No. 4040) was rejected.

Mr. LEAHY. Mr. President, I cannot support this budget resolution for 1997 fiscal year.

While I am encouraged that the majority was able to moderate their balanced budget plan from last year because of stronger economic estimates from the Congressional Budget Office, this budget resolution still falls short. It cuts Medicare and Medicaid more than is necessary to achieve a balanced budget. And it cuts education and environment funding while increasing defense spending—which is unacceptable in today's post-cold war world.

This Republican budget cuts Medicare by $167 billion, $50 billion more than the President's budget over the next 6 years. These cuts would reduce Medicare spending growth per-beneficiary far below projected private sector growth rates. I am disappointed that the majority persists in cutting a program that is vital to 83,000 Vermonters, 12 percent of whom live below the poverty level.

The Senate Republican budget resolution ignores the fact that it is not just Medicare costs that are rising. All health care costs are rising. And by just cutting Medicare—and Medicaid for that matter—a huge cost-shift of medical expenses will result and make sure that all Vermonters pay more for health care.

The Republican Medicare cuts are short sighted. Simply cutting Medicare does not make its problems go away. To reduce Medicare costs, we must reduce health care costs throughout the system, which can only be achieved by true health care reform. I look forward to sitting down at a table with Members from both sides of the aisle and hammering out a plan to deal with the issue of comprehensive health care reform. But in the meantime, simply cutting Medicare is not the answer.

This Republican budget includes $72 billion in Medicaid cuts, $18 billion more in cuts than the President's budget over the next 6 years. The resolution does not describe how these savings would be achieved, but it appears the Republicans still intend to block grant Medicaid. This will simply blow a hole in the safety net for our most neediest citizens.

This Republican budget also proposes capping the Federal direct student loan program at 20 percent of loan volume. Since schools participating in the direct loan program currently handle 40 percent of loan volume, many will be forced out of the program. The resolution only increases overall education funding by $3 billion over a freeze baseline over the next 6 years—hardly an investment in the one of the Nation's most important resources.

Unfortunately, the majority refused to moderate its cuts in protecting the environment during debate on this resolution. Compared to the President, the Republican budget cuts overall funding for environment and natural resources programs by 16 percent in the year 2002. The Republicans cut National Park Service operations by 20 percent. Compared to President, the Republican budget cuts funding for EPA's enforcement and operations by 23 percent in the year 2002.

The people of the United States never voted to gut environmental spending in the last election. They overwhelmingly want to make sure Government provides basic safeguards for a clean environment. This is a job that Government can do and needs to do.

The environment will not take care of itself. We have to step up and be responsible about the future we pass to our children. We must not step back from the bipartisan commitments made in the past 25 years to protect our air, water, streams, and natural resources.

Moreover, this budget ignores corporate welfare. President Clinton proposed that $40 billion be raised from corporate reforms and loophole closing legislation. But the majority has caved to special interests, and its budget remains silent on corporate welfare. Closing tax loopholes should be part of any fair balanced budget plan.

Finally, the Republican plan includes $17 billion in cuts to the earned income tax credit, which helps low-income working families stay off welfare and out of poverty. The President's budget proposes only $5 million in reforms to cut down on earned income tax credit fraud.

This Federal tax increase will raise taxes in seven States that have a State earned income tax credit tied to the Federal credit, including my home State of Vermont. The resolution could raise both State and Federal taxes on 27,000 Vermont working families earning less than $28,500 a year. It is very doubtful that the Vermont General Assembly can afford to increase the State earned income tax credit to make up this loss, with even more Federal cuts on the way.

At a time when many working Americans are struggling to make ends meet, the Senate Republican budget would hike Federal taxes on low and moderate-income working families. It would also raise some State taxes on these same working families. This is a double whammy on working families.

Mr. President, this budget resolution is better than last year's extreme budget, but it still cuts programs for elderly, young, and low-income Vermonters more than is necessary to balance the budget. We can do better than this budget.

Ms. MOSELEY-BRAUN. Mr. President, on April 23, 1996, the Senate, by a vote of 100 to 0, passed the Health Insurance Reform Act, a bill that will make health insurance more available to more Americans, end job lock, and end concerns regarding pre-existing conditions. That same bipartisan approach is what is needed now if this Senate is to do what the American people expect us to do—restore real, lasting discipline to the Federal budget.

In the last Congress, I served on the Bipartisan Commission on Entitlement and Tax Reform. The first finding in that Commission's interim report to the President, which was overwhelmingly endorsed by both the Democratic and Republican members of the Commission, stated:

> To ensure that today's debt and spending commitments do not unfairly burden America's children, the Government must act now. A bipartisan coalition of Congress, led by the President, must resolve the long-term imbalance between the Government's entitlement promises and the funds it will have available to pay for them.

The Commission, however, did much more than simply make a rhetorical case for bi-partisan cooperation to address our budget problems. It also did extensive work to document the nature of the budget problem we face, because no consensus solution to our budget problems is possible unless there is first a consensus on what our real budget problems are.

The Commission laid out the kind of budget future we face, and the underlying causes of our budget problems, in considerable detail. Perhaps the Commission's most important finding was that, unless we begin to act now, the portion of the gross domestic product of the United States consumed by the Federal Government will rise from approximately 21.4 percent of GDP in 1995 to over 37 per cent of GDP by the year 2030.

Now, thinking about percentages of GDP is not very meaningful to most Americans. It might be useful, therefore, to think about what that figure might mean for the Federal Government and Federal deficits if we translate those percentages into the fiscal year 1995 Federal budget.

In fiscal 1995, the Federal Government spent approximately $1.5 trillion dollars. If that year's budget took up 37 percent of GDP, as the Commission forecast for 2030, total fiscal year 1995 spending for the Federal Government would have been over $1.15 trillion higher, or $2.65 trillion. The Federal deficit would explode from the $163 billion actually reported in fiscal 1995 to over $1.3 trillion. The Federal deficit, under this scenario, would amount to almost 87 percent of the total amount the Federal Government actually spent in fiscal 1995.

Domestic discretionary spending would not account for a single penny of that increase; It would consume only $252 billion of that theoretical budget, or approximately 11 percent of total Federal spending. Nor would defense spending account for any part of that increase. It would continue to account for only $273 billion of the total $2.65 trillion budget.

What would increase is interest on the national debt, which would more than triple from the $232 billion the Federal Government actually spent on interest expense in fiscal 1995 to almost $700 billion. Social Security would double from the roughly $330 billion actually spent in fiscal 1995 to well over $650 billion. Medicare would also double, from approximately $150 billion to over $310 billion. And Medicaid would double as well, going from $90 billion to $180 billion.

That kind of budget is impossible. The Federal Government could not sell the new Government bonds that would be necessary to support deficits of that size. Essentially, the Federal Government would have to declare bankruptcy long before the budget ever reached that point. The members of the Commission, of course, all knew that. But it was the Commission's judgment—one that I fully endorsed—that it was important to lay out the budget trends the Federal Government is facing, because only then can the President and Congress, working together, do something to change those trends.

The Commission's work, however, did much more than identify the trends, though. The Commission went on to clearly lay out the underlying causes for those trends—rising health care costs and the aging of the baby boomers.

The Commission found that Federal health care expenses rose by double digit rates in the late 1980's and early 1990's, and it forecast that total Federal health care expenses would triple to 11 percent of GDP by the year 2030, unless appropriate policy changes are made. Even more frighteningly, it found that total Federal health care expenses will at least double as a percentage of GDP even if health care cost inflation is brought under control.

Changes in the American population are even a more powerful engine, one that is driving overall Federal spending ever-higher. Americans are now living much longer than they did in 1935 when Social Security began. The average life expectancy was 61.4 years then. It is 75.8 years now, and it is projected to be 78.4 years by 2025. In 1935, the life expectancy of a person reaching the age of 65 was 12.6 years. Now it is 17.5 years, and by 2025, it will be 18.8 years.

These figures represent a real triumph for our American community. What they tell us is that the American system works. But these figures also help explain why that triumph is not cost-free. In 1990, there were almost five workers for each Social Security retiree; by the year 2030, there will be less than three. More and more people are drawing Social Security benefits, and drawing them for a longer period. More and more people are using Medicare and Medicaid, and using them for a longer period of time. And those facts mean higher costs.

These are the fundamental truths we must all face, Mr. President, if we really want to address our budget problems—if we really want to balance the budget in a way that makes sense and that will work. We have to decide together—on a bipartisan basis—what our priorities are, what we think Government can do and must do, and what we are willing to pay. The only way to make these decisions is to be honest with the American people about what the problems are, and about what various options for solution of these problems would entail.

I would like to be able to say that the resolution now before us is based on that kind of bipartisan approach to the budget issue. I would like to be able to say that it is based on the bipartisan analysis contained in the Commission's report. And I would like to say that it is an attempt to present the American people with a set of proposals that face the underlying budget trends and their causes, but I cannot.

The American people want bipartisanship in approaching our budget problems. Unfortunately, however, this budget is not a bipartisan budget. It does not reflect an agreement between Congress and the President, or even between the Democrats and Republicans here in the Senate. Instead, as the straight party line vote in the Budget Committee on this resolution demonstrated, it is instead based on the partisan approach to the budget that was so in evidence last year—an approach that gave us three Government shutdowns, 13 continuing resolutions funding the Government for as little as a day at a time, and, in the end, no real progress toward dealing with our most significant budget problems.

This is a large budget resolution, and it covers six fiscal years, but it is easy to tell it is not based on the Bipartisan Commission's analysis of our budget problems. This budget resolution, for example, obtains fully half of its deficit reduction from domestic discretionary spending.

Mandatory spending—principally Social Security, Medicare, Medicaid, federal retirement, and interest on the national debt—has risen from 32.4 percent of the total Federal budget in 1963 to 64.1 percent now, and it will account for fully 72 percent of the Federal budget in the year 2003. Domestic discretionary spending, on the other hand, has been shrinking as a percentage of the total Federal budget, and it has been generally stable as a percentage of GDP. It is not the primary source of our budget problem. At roughly 17 percent of the overall Federal budget, it certainly does not account for 50 percent of our budget problem.

Perhaps the most compelling way to demonstrate that fact is to go back to the Entitlement Commission's report. The Commission found that after the year 2012, even if every single domestic discretionary spending program is cut to zero, and even if the Defense Department's budget is cut to zero, the Federal Government would still run deficits every year thereafter, unless we act to address our core budget issues.

The American people do not want that to happen, Mr. President. They do not want the Federal Government to be without resources to address important national priorities like education and the environment. They know that Federal investment in education is a public good. They know that Federal investment in highways and mass transit and aviation safety is a public good. They know that Federal investment in health research is a public good. They know that Federal stewardship of our national parks, including such national treasures as Yellowstone and the Grand Canyon, represents a public good. And they know that Federal action to protect our environment and clean up our air, our water, and toxic waste sites is a public good.

When American communities experience floods, or hurricanes, or tornados or earthquakes, they want the Federal Government to be able to act. What they don't want is a situation where the Federal Government is unable to act because of our failure to address the Federal Govenment's budget problems. Yet, if deficit reduction efforts continue to focus in such a disproportionate way on this already shrinking of the Federal budget, while avoiding coming to grips with the real budget problems in the mandatory spending part of the budget, that will be the inevitable result.

Domestic discretionary spending is not the only area where this budget resolution falls short. In Medicare, it proposes reductions in spending that total $167 billion, cuts that are, at the same time, too large and too small.

That may seem like a contradiction, but it's not. And the reason it is not goes back to the underlying forces driving up federal spending—health care inflation and demographics.

We need to sit down together on a bipartisan basis, and to work together to develop an approach to Medicare—and for that matter, Medicaid—that will actually reduce the Federal health care cost inflation rate. Then, based on what we believe we can actually achieve, we should include those savings in the budget resolution. This resolution does exactly the opposite. It sets an arbitrary amount of budget savings, and essentially caps Medicare spending, without knowing what those arbitrary caps will do to quality of care, access to care, affordability of care, or choice of provider. And while it does not increase direct costs to beneficiaries, it does assume major cuts in payments to hospitals and home health providers that serve beneficiaries, which will clearly have an impact on quality and access.

Moreover, the figures in the resolution are not based on any real analysis of how much health care inflation can be reduced, and how much time it will take to accomplish. Instead, the resolution is like an old Soviet 5-year plan—except it covers 6 years. It simply says this shall happen. Like the old Soviet 5-year plans, therefore, it has only the vaguest connection with economic—and in this case, health care—reality.

At the same time, however, the proposals assumed in the budget resolution do not in any way come to grips with the underlying demographic trends, which is why they are both too large and too small. They start at levels higher than can be justified based on reining in health care inflation, but they do not even attempt to begin to anticipate what needs to be done to handle the retirement of the baby boomer generation. We have to do better than that.

This resolution also contains a tax cut. It is a smaller tax cut than in last year's resolution, but it suffers from the same flaws. I am the first to agree that Americans ought to have more money in their pockets. More and more Americans are being priced out of the American dream. More and more Americans are losing their ability to purchase a home, a new car, or to provide a college education for their children. It is clear that more and more Americans are being priced out of the dream market. Between 1980 and 1995, for example:

the average price of a home increased from about $76,000 to over $150,000, an increase of more than 100 percent; the average price of a car went from about $7,000 to about $20,000, an increase of over 285 percent, and the number of weeks an American had to work to pay

for the average car increased from about 18 weeks to over 27 weeks, an increase of about 150 percent; and the cost of a year's tuition at a publicly supported college increased from $635 to $2,860, an increase of almost 450 percent, and a year's tuition at a private college increased from an average of $3,498 to $12,432, an increase of 355 percent.

These cost increases have continued into the 1990's, but income growth has not kept pace. Economic stagnation and rising income disparity are now facts of life. Just last month, for example, it was reported that Americans now have to work a record number of weeks—27, as I stated earlier—to purchase a new car. What that fact means, of course, is that more and more Americans are being pushed out of the new car market altogether.

Given these cost trends, Americans justifiably want to see higher take-home pay. Government can make an important contribution that can help Americans achieve that goal by helping to create a climate where productivity can increase, because increases in productivity lead to increases in wealth, and because in our country, it is private markets, and not Government fiat, that determines people's incomes.

Some people may assume that tax cuts automatically increase productivity, but it is worth remembering that, Federal taxes took are lower now than they were in 1969—one full percentage point of GDP lower. In 1969, the top Federal income tax rate was 77 percent; now it's 39 percent. Since 1969, the amount raised by Federal income tax on individuals has dropped by almost 11 percent, and the amount raised by the corporate income tax has been cut almost in half, as a percentage of GDP. Yet, the U.S. economy generally, and the standard of living of the average American, grew more quickly then.

The truth is that, if we want to increase national savings, and thereby help increase the pool of capital that is necessary to support productivity growth, the most efficient way to do that is to address our core budget problems, and not to cut taxes now. The most important reason not to do a tax cut now, however, has nothing to do with tax policy, national savings rates, or productivity. The most important reason not to do a tax cut now is that a tax cut sends a totally wrong message to the American people about the scope and extent of our budget problem.

A tax cut now is like President Johnson's guns and butter policy in the 1960's. It says that our budget problems are easy to solve, so easy that we can afford tax cuts while we balance the budget with one hand tied behind our backs. But that's not the case. We can continue to ignore the facts for a few more years if we want, but ignoring the truth will not make it go away. It will only make the day of reckoning that much worse.

It need not be so. While tough steps will be needed, and while serious costs are involved, if we work together on a bipartisan basis, if we think about the long-term, and if we keep our focus on the priorities of the American people, we can address our budget problems in a way that will allow this great Nation to protect the retirement security of Americans—now and in the future. We can do so in a way that will allow the United States to meet the health care priorities of Americans—now and in the future. And we can do so in a way that retains resources for other essential investments—like education and the environment.

The budget resolution now before this Senate cannot accomplish these goals because it is not bipartisan and because it is not based on the budget realities we are facing. I urge my colleagues, therefore, to join me in voting to put this resolution aside. And much more importantly, I urge my colleagues to come together in a bipartisan way to begin the process of putting together the kind of budget the American people expect of us.

THE ARCTIC NATIONAL WILDLIFE REFUGE [ANWR]

Mr. BAUCUS. Mr. President, I would like to engage in a colloquy with the ranking member of the Budget Committee on the issue of ANWR?

Mr. EXON. Mr. President, I would be happy to.

Mr. BAUCUS. It has come to my attention that the Energy and Natural Resources Committee has been instructed to achieve close to $1 billion in savings that are not highlighted as part of the mandatory assumptions section of the environment and natural resources function of the committee report on the budget resolution. Can the Senator from Nebraska confirm that this is true?

Mr. EXON. The Senator from Montana is correct. in fact, this billion dollars of savings amounts to almost 75 percent of the required savings the Energy and Natural Resources must produce in order to comply with the Republican budget resolution.

Mr. BAUCUS. It also has come to my attention that the latest CBO savings estimate for opening up the Arctic National Wildlife Refuge [ANWR] for oil drilling is just under $1 billion. Does the Senator from Nebraska find it odd that there is no mention of ANWR in this year's budget resolution?

Mr. EXON. Yes, I do find that strange. The committee report for last year's budget resolution cited ANWR as the major mandatory savings assumption for the Energy and Natural Resources Committee. indeed, it's inclusion in the final reconciliation bill was one of the major reasons why the President vetoed that bill.

Mr. BAUCUS. Mr. President, I would like to inquire of Senator EXON, is it fair for me to assume that in order for the Energy and Natural Resource Committee to meet its reconciliation instructions this year, the Republican majority is planning to include drilling in ANWR?

Mr. EXON. Yes, I do believe that the Senator from Montana is correct in making that assumption. The Energy and Natural Resources Committee has a limited amount of mandatory programs under its jurisdiction to target for savings as part of a reconciliation bill. With the exception of privatizing the Power Marketing Administrations, a proposal that was soundly rejected during last year's debate, I might add with the Senator Montana's leadership. I can think of no other policy under their jurisdiction that could generate a $1 billion in savings.

Mr. BAUCUS. Since this is indeed the case, I wonder why our friends on the Republican side were not willing to highlight their proposal to drill for oil in the Arctic Refuge as the leading assumption in their report, given the fact that it accounts for 75 percent of the savings for the Energy and Natural Resources Committee?

Mr. EXON. It might be due to the fact that a clear majority of the American people do not support opening up the Arctic National Wildlife Refuge for oil and gas exploration. It appears to me that the Republicans are trying to find a clever way to cover up all the damage their budget will do to the environment.

Senator BAUCUS. I believe that the Senator from Nebraska is correct. The American people, by a two to one margin, oppose opening up ANWR for oil and gas drilling. No wonder that proponents of drilling do not want to confront the issue head-on.

Our citizens understand, even if some members of this body may not, that leasing the Arctic National Wildlife Refuge risks serious harm to one of our national treasures. It squanders the natural resources that we should be leaving for future generations. And it is another example of public lands policies that favor special interests over the interests of ordinary families.

The irony is that we do not need to take these risks to ensure adequate supplies of energy. There are new oil fields being developed in the Gulf of Mexico right now, in very deep water, that can produce oil without the environmental disruptions that would surely accompany drilling in ANWR.

Last year, the Office of Management and Budget, hardly an environmentally zealous group, stated that:

> Exploration and development activities would bring physical disturbances to the area, unacceptable risks of oil spills and pollution, and long-term effects that would harm wildlife for decades.

That is not the kind of legacy we should be leaving for our children. Yet that is what could well be in store for this country if the reconciliation instructions in this budget are carried out as the Senator from Nebraska has indicated. I thank the Senator for his observations.

WELLSTONE EDUCATION TAX DEDUCTION AMENDMENT

Mr. BAUCUS. Mr. President, I voted for the amendment of my colleague from Minnesota because I support providing a tax deduction to parents to

help defray the costs of a higher education for their kids. Senator WELLSTONE's amendment would also permit taxpayers who pursue additional education to deduct all or a portion of the related costs. This is important for taxpayers who lose their job and need additional skills to get reemployed or who want to advance to a higher paying job. In fact, Mr. President, I introduced S. 1312 earlier this year to provide a $5,000 deduction for higher education costs.

I do have one concern with Senator WELLSTONE's amendment. The only tax cuts permitted under its language are a child tax credit and the deduction for higher education costs. There are a number of other tax cuts that merit consideration Mr. President, and I hope we can get to them this year. For example, an increase in section 179 expensing for small businesses, expansion of IRA's to encourage savings, and estate and gift tax relief for family-owned businesses.

I look forward to working with my distinguished colleague from Minnesota on the child tax credit and the higher education deduction as well as a number of other tax cuts that will benefit taxpayers in Minnesota and Montana as well as the entire Nation.

KYL AMENDMENT REQUIRING A SUPERMAJORITY TO RAISE TAXES

Mr. BAUCUS. Mr. President, the Sense of the Senate amendment of my colleague from Arizona notes that the current tax system is overly complex and burdensome and that action must be taken to produce a tax system that is fairer, flatter and simpler. I couldn't agree more and I look forward to working with him and the rest of my colleagues to reform a tax system that is badly in need of repair.

I was unable however, Mr. President, to vote for Senator Kyl's amendment because of the provision requiring a supermajority vote to raise taxes. Ironically, I believe this proposal could impeded meaningful tax reform. It could have the effect of locking in existing loopholes unless those of us who want real tax reform could muster a supermajority. Congress may ultimately determine that in fact more than a simple majority of its members should be required to increase taxes. However, a number of questions need to be addressed before we take such action.

What is a supermajority? Two thirds of the members, or perhaps three-fourths?

Can the supermajority requirement be waived in the event of a national emergency? How would we define a national emergency?

And how do we define what it means to ''raise'' taxes? Does closing a corporate loophole—which would increase the taxes paid by the companies benefitting from the loophole—require a supermajority? If it does, Congress will be hard pressed to close corporate loopholes.

I do agree with the language in my distinguished colleague's amendment calling for tax reform, and I may agree in time with the need for a ''supermajority'' before taxes can be ''raised,'' but cannot at this time vote for his amendment calling for that supermajority.

Mr. FEINGOLD. Mr. President, the debate surrounding this year's budget resolution is tame compared to the debate we heard last year at this time. But we should not be lulled by this relative quiet. This year's model is not much different from the one produced last year.

In one key regard, it may be worse.

The warnings many of us made last year have come true. Rather than focusing on eliminating the deficit and finally balancing the Federal budget, this year's budget resolution has one overarching goal, namely to provide an election year tax cut.

Mr. President, on this issue, the hands of both parties are dirty. Republicans and Democrats both have engaged in this tax cut bidding war. Even the so-called bipartisan budget proposal revolves around a $130 billion tax cut.

Mr. President, we have lost a real opportunity.

After the debate of the last year, one might have thought that we had reached a consensus that balancing the Federal budget was our most important task. The negotiations that took place between the Republican Congressional leadership and the White House appeared to be moving the parties closer together. Each side had agreed to similar ground rules and a timetable for a balanced budget; each side had offered a budget plan that actually reached balance.

Sadly, negotiations broke off, and there was no agreement reached on a plan to balance the budget.

Mr. President, a central reason for the failure of those negotiations was that the shared goal of deficit reduction was weighed down with other competing agendas—the structure of Medicare, whether Medicaid should be a block grant, welfare reform, and the amount and structure of the tax cut. All of a sudden, it wasn't enough to balance the budget. Eliminating the deficit took a back seat to those other priorities.

Mr. President, of course these other matters have an impact on our ability to achieve and maintain a balanced budget. I support reforms to Medicare and Medicaid not only for their own sake but for the very reason that such reforms are needed if we are to achieve a balanced budget.

But we cannot afford to divert our attention from what must be the immediate business of Congress—balancing the budget.

Of all the distractions, Mr. President, by far the most dangerous is the promise of a major tax cut. It is already difficult to get agreement on the spending cuts needed to eliminate the deficit. The work of balancing the budget is not pleasant, and it is all too easy to find excuses not to do that work.

Proposals to cut taxes make it even more difficult to stay focused on that unpleasant but necessary task. How much easier it is to speak about how one might cut taxes, and by how much.

Mr. President, as I noted earlier in this debate, we are now obsessed with enacting tax cuts, no matter what the cost to the integrity of the budget. Every time you turn around you bump into another proposal for some tax cut. Some come clothed as tax reform, such as the so-called flat tax. Others are less subtle. The Wall Street Journal recently reported that a ''trendier'' tax cut plan is a 15 percent across-the-board cut in income tax rates, phased in over 3 years. And I have no doubt that the nominees of both parties will each have their own tax cut plan to tout this summer.

We've just spent 2 weeks debating the issue of a 4.3 cent gas tax cut, and the other body has sent us a 1.7 billion dollar special adoption tax credit and is working on another 7 billion dollar tax cut for small businesses.

Everyone is eager to float a tax cut plan. Mr. President, would that they were equally as eager to offer plans to cut spending and balance the budget.

This budget resolution aids and abets this fiscally reckless and irresponsible agenda. Its structure of consecutive reconciliation bills, finishing with a tax cut extravaganza just a few weeks before the election, is a guarantee that it cannot hope to lead to a balanced budget, only political posturing.

The budget resolution has other flaws as well. The Medicare and Medicaid programs are underfunded, the direct result of the need to fund the tax cut and to add even more funding to a Defense Department that instead should be asked for significantly more cuts. And as with last year's budget resolution, there is no effort to limit some of the corporate welfare that responsible members of both parties have identified as a top priority for cutting.

Mr. President, I suspect that some of this year's budget resolution is the result of the special political dynamics of presidential election year politics. If that is the case, I earnestly hope that once that election is behind us, both parties will seize the opportunity and reach out for a bipartisan plan to balance the budget. I am confident that a majority of the Senate and the other body would support such a plan.

Until that time, Mr. President, I will continue working with members form both sides of the aisle to identify areas where we can find savings that will move us closer to completely eliminating our Federal budget deficit.

Mr. EXON. Mr. President, as we conclude debate, I cannot help but be struck by the futility of this Republican budget. It is a tragic repeat of last year's Republican budget fiasco. It is a fool's errand twice over.

A year ago, many of us stood on the Senate floor imploring our Republican colleagues to temper their harsh views and to join with us to create a bipartisan balanced budget. We predicted a

train wreck otherwise. We got not one, but two train wrecks, including the longest Federal Government shutdown in the history of our Nation.

We will soon vote on this so-called new Republican budget. But no one should be fooled as to its novelty. It is at best a hybrid of the old Republican budget grafted onto some slick parliamentary procedures. It will spin out not one, but three, reconciliation bills, because the Republican Majority wants to create a web of budgetary intrigue in which to trap the President. They want to amplify partisan confrontation over the summer and into the fall elections.

Some call this the silly season. It would be silly, if it were not so sad for our Nation.

Once again, the congressional majority is squandering an opportunity to balance the budget. Last year, all the Republicans wanted was for President Clinton to submit a 7-year, CBO-certified, balanced budget. President Clinton delivered with a fair and reasonable balanced budget. But no, the Republicans claimed that it was not good enough for them—even though it was good enough for the Republican-selected CBO Director.

Perhaps this debate did serve one larger purpose. With amendments from this side of the aisle, the American people could see that there is another vision for the future of our Nation. There is a way to balance the budget, but without jeopardizing quality health care for our seniors, without fouling the environment, without limiting the learning horizons of our children. But on this floor, the American people saw the Republican majority oppose moderation time and time again.

It has been said that the definition of insanity is doing the same thing over and over again and expecting a different result. This budget would be insane, except that no one expects a different result. This is a senseless repetition of a failed budget. Because of its extremism, it deserves to fail. I urge my colleagues to reject it once again.

Mr. BINGAMAN. Mr. President, I intend to vote against the Republican Federal budget proposal. This budget is nearly the same as the one proposed last year by Republicans, and I feel that the interests of the Nation continue to be poorly served by the guidelines specified in this sort of ideologically driven legislation.

Both last year's Republican budget proposal and the one we are voting on today represent a misguided set of priorities for the next century by cutting resources for education, job training, the environment, and Medicaid in order to pay for tax breaks for the wealthy and unneeded defense programs.

Over 7 years, the Republican proposal slashes Medicare by $226.8 billion, a number only slightly different from their proposal last year to cut Medicare by $228.2 billion. Reductions in the earned income tax credit will result in increasing taxes on lower income working families by $21 billion over 7 years, compared to the $20-billion tax increase proposed last year.

I am also very concerned about proposals in this legislation that would allow States to make significant cuts in their own contributions to Medicaid in the rules governing block grants from the Federal to State governments. These policies threaten guarantees of coverage for children, people with disabilities, and older Americans. This series of proposals represents an alarming trend away from providing the most rudimentary safety net for those in need toward further enriching those who are the most prosperous in our country.

The President's budget proposal as well as a centrist alternative budget crafted primarily by Senators BREAUX and CHAFEE do a far better job of balancing the needs of the most disadvantaged in our society with the objective of reaching a balanced budget by 2002. The President's budget secures the integrity of the Medicare trust fund through 2005, and it does so without ravaging this important program. In contrast, the Republican budget cuts Medicare by $50 billion more than the President's plan.

Education and job training—Head Start, Basic Education Assistance—title 1—School-to-Work, and Job Training for Dislocated Workers—remain high priorities of our Government, as they should be, in the President's budget. In contrast, the Republicans slash more than $60 billion from these programs.

The President does not raise taxes on low-income working Americans. In contrast, the Republicans, by cutting EITC by $21 billion over the next 7 years, intend to raise taxes for between 6 to 10 million Americans.

I think it is possible to balance the budget by 2002 without abandoning America's priorities—and without abandoning those most in need. We can clearly preserve paycheck security, health security and retirement security for America's working families without abandoning our commitment to a balanced budget.

Mr. President, I must also add that I am impressed with the efforts of Senator JOHN BREAUX and Senator JOHN CHAFEE in leading the way on yet another alternative budget to that proposed by the Republican majority. This 7-year bipartisan alternative budget proposal, which I have voted to support, is a conscientious, bipartisan effort that does a much better job of maintaining the right priorities for our country. I do have concerns about whether cutting the CPI by ½ percent is the best approach to dealing with the question of getting a better, more accurate inflation indicator, and I think that any adjustment in our cost growth measure must be progressive in its application.

While the Breaux-Chafee alternative does not contain everything I would want in a budget, the process of bringing both Democrats and Republicans together to seriously confront the problem of achieving a fair yet balanced budget is much better than what we ended up with—namely, the Republicans trying to force the same old budget down our throats.

Mrs. MURRAY. Mr. President, I rise today to express my opposition to the Republican budget resolution for fiscal year 1997. Quite simply, this budget resolution does not reflect the priorities and values held by most Americans—the belief that we need to ensure our quality of life, educate our children, and care for our elderly and disabled.

I regret that this vote will not be bipartisan, because I believe we have made great progress over the past year. Unfortunately, this Republican budget falls short. It fails to meet us halfway, and it proposes deep cuts in Medicare, education, Medicaid, and the environment while increasing defense spending. These cuts are not necessary to balance the budget; rather, they are punitive and unwise.

Mr. President, when discussing the budget, we must step back and look at where we were just a year ago. A year ago, the President's budget was not balanced and the Republican budget called for even deeper cuts in important programs—cuts as big as $250 billion out of Medicare. Since that time, however, the President has submitted a CBO-certified balanced-budget that includes modest, but realistic, cuts in Medicare and Medicaid. And Republicans have acknowledged the need to increase funding for Medicare, education, the environment, Cops on the Street and Americorps.

A year ago, I was opposed to cutting back Medicaid because it provides health care for our poorest children and it ensures quality nursing home standards for our parents. After working with health care experts in Washington State, I concluded my home State could still serve our most vulnerable populations as long as we don't have drastic cuts to Medicaid. I'm willing to concede that point, and I know now that if we all give a little, we can reach compromise. But Republican cuts still go too far.

Republican Medicaid cuts appear to be shrinking, but, unfortunately you are not seeing the whole story. The $72 billion cut mentioned in the bill, by itself, would force changes in eligibility and services for Americans on Medicaid. But in addition, this bill would allow States to walk away from paying their fair share in this successful State and Federal partnership. Between State and Federal share reductions, over $250 billion would be cut from health care coverage for poor and working families.

The majority party contends their Medicaid provisions would be endorsed by the National Governor's Association. They would not. Among other problems, this bill is a block grant, with no way for States to be reimbursed for extra costs resulting from

natural disaster or economic downturn. Even if their were no problems, and there are many, I could not support these cuts. States need flexibility, and the types of flexibility sought by my State are reasonable. But we in Congress are here to assure that every child in this country can get basic health services, no matter which State they live in.

On welfare, Republicans cut $53 billion and removes the guarantee to public assistance, but they are not very clear about where the money comes from. We can only assume they will do the same as last year—deep cuts in food aid and nutrition programs. I am interested in real welfare reform—reform that gives people alternatives and assistance to move people off of public assistance in a way that allows them to support themselves. This Republican budget is an attack on poor families, and I cannot support it.

Mr. President, let us remember exactly where we are on this road to ending the deficit. Since 1993, we have made great progress toward reducing this Nation's deficit. CBO estimates the 1996 deficit will fall to $130 billion—the fourth straight year the deficit has declined. We have cut the budget deficit in half in less than 4 years, and today's annual deficit stands as the lowest percentage of our gross domestic product since 1980. I'm proud of this fact. I am proud to have been involved in crafting the budget package of 1993. That deficit reduction package has us on the right track.

Our need to do more, however, spawned a bipartisan group of Senators, who have come together and formulated a well-reasoned, well-balanced budget proposal. I commend Senators CHAFEE and BREAUX for their leadership and hard work on this matter. I voted for their budget alternative because it is exactly the kind of bipartisan teamwork Congress needs to see more of. Certainly, I would like to see less savings come out of discretionary accounts that include education, job training, trade promotion, and the environment. And the tax cuts may be too generous. The Chafee-Breaux plan may not be perfect, but I believe it is probably the most realistic compromise one could craft. I am hopeful this Centrist plan will become the framework for future budget negotiations.

Mr. President, this past year has taught us we can reach a balanced budget. We learned we can formulate a budget that uses common sense and reflects America's values and priorities. That is why Senator KERRY and I offered an amendment to restore education and job training funds in the Republican budget. As my colleagues know, this amendment failed despite the fact that the Republican budget will cut education spending 20 percent from current levels.

Americans understand how important education and job training investments are for our children, and the future success of this Nation. A recent USA Today poll found that education has become the most important issue for Americans—ranking above crime, the economy and the quality of one's job.

As a former teacher, mother, and PTA member, I know from personal experience the value and importance of Head Start, vocational education and education, technology programs. I have seen these programs work, and I have seen the satisfaction on the faces of children who are finally getting a chance to excel and succeed.

And, Mr. President, this Republican budget takes a serious step backwards in our efforts to preserve our environment and ensure our quality of life. Unfortunately, the Senate rejected several amendments that would have softened this budget's impact on the environment. First, I oppose a change in the way sales of Federal assets are treated in this resolution. For the last decade, Congress has recognized that our public lands and other Federal assets were too precious to sell or lease unless Congress or the administration decided that so doing was in the best interest of the public. That is good policy and one that traditionally has enjoyed strong bi-partisan support. I cosponsored the Bumpers-Bradley amendment which would have preserved our national heritage for generations to come, and would have rejected this approach to the disposition of our Federal assets.

I also supported the amendment offered by Senators LAUTENBERG and KERRY that would have increased funding by $7.3 billion over 6 years for Function 300, which funds the National Park Service, the Environmental Protection Agency and other environmental programs. This amendment would have restored balance to the budget. It would have provided a stable, strong level of funding to protect our national treasures and clean up our environment.

Senator WYDEN's Sense of the Senate amendment would have eliminated tax deductions for fines, penalties, and damages arising from a failure to comply with Federal and State environmental or health protection laws. That common sense approach to balancing the budget would have raised up to $100 million annually. The amendment provided an excellent opportunity to express our support for law-abiding companies who do not break environmental and safety laws by closing a tax loophole enjoyed by those who do break our laws.

Mr. President, last year's budget debate was painful for all of us. It was especially painful for our constituents—our hard-working friends and neighbors. They didn't know why the budget debate forced the Government to shut down twice—one time for three straight weeks. They didn't see that as progress. Instead, they saw it as just another example of what is wrong with Congress and the Government today.

It is my hope this year's budget and appropriations process will be more orderly. It is my hope the American people will not be used as pawns during our budget negotiations. And it is my hope that my colleagues will remember the budget debate requires compromise if we hope to really serve the people. In the end last year, we learned our Government is truly a democracy. We learned any successful budget agreement will need to be as broad and bipartisan as possible.

We have a lot of work to do if we are going to reach a balanced budget. But the truth of the matter is that both parties have agreed to enough savings that we could balance the budget today if we really want to. When considering the entire budget, the difference between the two parties amounts to less than 1 percent of the Federal Government's spending. A balanced budget plan is possible. All we need is the courage to find compromise.

I look forward to working with my colleagues on the Appropriations and Budget Committees in order to make sure this Congress' spending priorities are balanced and in line with our constituents' wishes. Unfortunately, today's budget resolution fails to strike a balance. It's simply a replay of last year's failed Republican budget. And I will be fighting to make sure this Congress does not lose sight of what is truly important to our friends and families.

Mr. KERRY. Mr. President, let me make a simple observation on the Republican budget resolution before the Senate: it does not reflect the priorities of the American people. For that reason, I will oppose this budget.

Mr. President, as you know, I attempted throughout the past several days to amend this Republican budget so it meets the needs of working Americans. I attempted to ensure that the violent crime reduction trust fund will be fully funded and that sufficient funds will be allocated to the community policing initiative. But this amendment was rejected along party lines.

I tried to add back some of the cuts the Republicans have made to environmental protection and conservation efforts. But the amendment was rejected along party lines. I attempted to add back funds for education that the Republicans cut from the budget —the largest education cut in history. But the amendment was rejected along party lines.

Time and again, the Republican party moved in lockstep to prevent us from providing services that the American people urgently need.

The President of the United States has proposed a budget that balances in 6 years. It protects the environment. It secures our neighborhoods by putting more cops on the beat. It gives assistance to families trying to care for elderly parents and educate their children. I voted for that budget, Mr. President.

The President s budget continues the sound economic and fiscal policy put in place in 1993 which has halved the deficit, kept interest rates and inflation low and created more than 8 million jobs. This is the right way to balance the budget.

The Republicans' budget continues the smoke-and-mirror gimmicks vetoed by the President and rejected by the American people. It slashes Medicare, cripples education programs and opens tax loopholes for big corporations. This is the wrong way.

Mr. President, let me give you an example of why I am wary of the budget the Republicans have presented this year despite all the pleas that they have learned their lesson and corrected their past mistakes. Last year, the Senate voted that 90 percent of any tax cut should go to people making less than $100,000 per year. Yet, the Republican budget, which the President wisely vetoed, devoted almost 48 percent of the tax cuts to people earning more than $100,000. So, Mr. President, here we go again. My parents taught me an old saying which guides me in my decision to reject the Republican plan before us: ''once bitten, twice shy.'' The Republican plan—then as now—raises Medicare premiums on our seniors, makes our environment vulnerable to the whims of polluters, denies Medicaid coverage to veterans who would have been ineligible for VA medical care, and prevents children of many middle income Americans from getting a loan to go to college.

That is the wrong set of priorities for our Nation, for our economy and for hard-working American families, Mr. President. I reject this budget as I rejected the Republican plan last year, as the President rejected the Republican plan last year, and as the American people rejected the Republican plan last year.

I hope my colleagues oppose the Republican plan.

I yield the floor.

Mr. GLENN. Mr. President, I rise today in opposition to Senate Concurrent Resolution 57, the concurrent resolution on the budget for fiscal year 1997. While I support the committee's efforts to balance the budget, I cannot agree with the means by which that balance is achieved.

It is ironic that the committee's proposed budget resolution appears to soften the hard edge of many of the funding cuts proposed in last year's vetoed reconciliation legislation. The committee recognized the need to make the cuts look less draconian, yet, cuts similar to those from last year's failed attempt remain.

The committee's budget resolution merely pays lipservice to the fact that it could not garner the support it needed to succeed last year, because it tries to include similar cuts by disguising them in a 6-year rather than a 7-year program, by rescoring the cuts to make them look smaller, and, in the instance of Medicaid, by reformulating the way the cut is made so that the true cut can be made at the State level rather than at the Federal level.

I guess we are to chalk it up to election year politics, but the budget resolution before us asks us to ignore our experience last year when we witnessed the so-called train wreck that caused the Government to shut down twice.

And, we are to ignore the progress, albeit, limited in some areas, made in negotiations between the congressional leadership and the White House. This budget resolution, in many instances, marks a disavowal of the last offer made in January by the majority in the ongoing budget negotiations. Instead, particularly in the case of welfare and other nondefense discretionary spending, we are asked to support a return to the kinds of funding decisions that closed the Government twice last year.

When you make an apples-to-apples comparison with last year's failed welfare measure, the combined cuts to welfare programs, like aid to families with dependent children, supplemental security income and food stamps, are essentially the same.

The cuts in nondefense discretionary funding are deeper than the January offer made to the President but not quite as deep as the vetoed reconciliation bill. However, since the House adopted the deepest cuts yet proposed in nondefense discretionary funding, it seems an almost certainty that we are headed back to the levels contemplated in last year's failed reconciliation bill when we get to conference.

The Republican budget continues its attack on education and training. The budget resolution caps the direct student loan program at 20 percent and, to use the majority's convenient euphemism, it freezes funding for Pell grants work study programs. Further, the budget resolution terminates funding for the AmericaCorps National Service Program.

Mr. President, these changes to higher education would continue the majority's efforts to make it harder for working families and their children to finance a college education. If these proposed cuts and changes are to become law, many students will see the doors closed to the opportunities and choices a college education can open up for them. Other students and their families will see their options for financing an education narrowed. OMB estimates that the student loan cap would eliminate 1,100 schools and 1.6 million students from participation, just in the upcoming academic year. When extended over the life of the budget program, this cap would deny direct lending opportunities to 7 million borrowers.

Mr. President, that's not what this country stands for. We must ensure that working middle-income families will be able to afford to provide higher educational opportunities to their children.

The Republican budget again proposes to cut all funding for the first major new education reform bill passed by Congress in the past two decades. Goals 2000 is a comprehensive national attempt to help our schools achieve their goals of producing informed citizens and a skilled, competitive work force for the future. I believe it is extremely shortsighted for the Republicans to continue to propose eliminating this important program.

The budget resolution freezes funding—again, there's that euphemism for what amounts to a cut—for Head Start and chapter 1, the most successful programs designed to get our children ready for school and for teaching basic skills, hampering our efforts to reform public education in this country. I cannot support these proposals which will scale back our commitment to public education in this country.

In another critical area in nondefense discretionary funding, Mr. President, the budget resolution uses funding cuts to weaken environmental protection and to decrease the Government's ability to improve public health and safety.

While targeting environmental programs for particularly harsh cuts, this budget resolution also effectively makes policy changes that should be enacted through regular legislative means. This measure assumes revenues from opening the Arctic National Wildlife Refuge for oil exploration and development. The Coastal Plain of this wildlife refuge is one of our few remaining ecological treasures, containing 18 major rivers, and providing a habitat for 36 species of land mammals and over 30 fish species. The wilderness and environmental values of this area are irreplaceable. The environmental values of this area are far greater than any short-term economic gain from oil and gas development.

Unfortunately, Mr. President, these are the kinds of tradeoffs, taking away educational opportunities at all levels, from preschool through postsecondary education, gutting environmental programs, and ruining ecological treasures, all in order to make a politically expedient tax cut and, as we'll see when we move to the defense authorization bill, to waste billions of dollars in the defense accounts on programs we don't need. I can't agree to this, Mr. President. But, sadly, this is just the tip of the iceberg.

Let's take a look at the proposed cut to the earned income tax credit, a tax credit designed to assist low-income working families stay off the welfare rolls. It's true that the proposed cut is less than last year's failed reconciliation package, but it is significantly deeper than that proposed by the majority in January during the budget negotiations. Moreover, it is almost twice as large as the cut proposed by the National Governor's Association. And, curiously, it seems to be at odds with a proposal made during the minimum wage debate in the House that the earned income tax credit should be expanded as an alternative to raising the

minimum wage. The majority party says it is offering a tax cut. With the proposed cuts in the earned income tax credit, never mind the advertised tax cut, the best some working families can hope for is that their taxes won't go up.

A similar sleight of hand occurs with respect to Medicaid. The amount of Federal funding proposed to be cut is less than the latest budget offer made in January. The hitch is, the budget resolution changes the contribution that States are required to make. This change allows 80 percent of the cuts proposed last year to be made.

Moreover, not only does the budget resolution cut Federal Medicaid payments to the States by $72 billion, it does not specify how the cuts would be made. I assume that the Republicans still support block granting Medicaid funds. I am opposed to this proposal because of the adverse impact it would have on children in low-income families, the disabled, and the elderly who require nursing home care.

When you get to Medicare, again, you have to pay attention to the fine print. The size of the cut, $168 billion, is the same as that proposed in the last offer but the difference here is the cut is taken in a shorter period of time, over a 6-year program rather than a 7-year program. So, the majority again greatly reduces Medicare funding for the elderly in order to provide a tax cut for wealthy Americans. The budget resolution's reduction of $168 billion in Medicare means that the growth in spending per beneficiary will be less than the projected growth in spending in the private sector which insures a younger, healthier population. I am concerned that these cuts and the proposed changes in the structure of the Medicare Program will adversely impact the quality of care for Medicare beneficiaries and will make it more expensive to individuals.

Mr. President, we have debated this budget resolution over the course of several days and have had vigorous debate over a series of amendments which would have restored necessary funding in areas such as health care, education, job training, and environmental protection. Regrettably, these efforts did not succeed. But, the votes really have been just a self-fulfilling prophecy. It is clear that the majority isn't looking to compromise or learn from our painful experience last year. This legislation was never designed to engender my support and I certainly will not lend my support to it.

In addition to the funding issues I have described, Mr. President, I feel compelled to discuss the unusual instruction contained in the budget resolution concerning the reporting out of three separate reconciliation bills. This instruction is objectionable because it unnecessarily expands the role of reconciliation in the budgeting process. Perhaps, more importantly, it is objectionable because it goes so far as to instruct the reporting out of a reconciliation bill that not only will not lower the deficit but undoubtedly will raise the deficit.

Mr. President, I yield the floor.

AMENDMENT NO. 4022

The PRESIDING OFFICER. The pending business before the Senate is now the McCain amendment No. 4022.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I yield to the Senator who has the amendment, Senator MCCAIN.

Mr. MCCAIN. Doesn't the opposition speak first, Mr. President, the other side?

Mr. EXON. I yield Senator HOLLINGS the 30 seconds on our side on the McCain amendment.

Mr. HOLLINGS. Mr. President, I understand the distinguished Senator from Arizona and I are agreed substantially with his sense-of-the-Senate resolution. In every one of the auctions, Mr. President, what we do on them is not to maximize the revenues but to protect the public interest. We want to increase the efficiency and enhance the competition.

So I welcome this particular sense-of-the-Senate resolution. But I have to add, of course, the fundamental of the public interest, which I am sure the Senator from Arizona is interested in, is stipulated in the Communications Act of 1934, section 309, and now in the new Telecommunications Act it is also to be adhered to. So I move the adoption of the resolution.

Mr. DOMENICI. We have no objection to the resolution.

Mr. EXON. We have no objection.

Mr. MCCAIN. Mr. President, I thank the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, the sense-of-the-Senate resolution offered by my friend from Arizona encourages the Federal Communications Commission [FCC] to move forward expeditiously on a number of pending proceedings. In doing so, would the Senator from Arizona agree that section 309 of the Communications Act of 1934, as amended, is the provision of law that authorizes the FCC's use of auctions as a licensing procedure?

Mr. MCCAIN. I agree.

Mr. HOLLINGS. Would the Senator further agree that the FCC should follow the statute in conducting auctions?

Mr. MCCAIN. Yes, I agree that the FCC should follow the law.

I yield the floor and yield back the remainder of my time.

AMENDMENT NO. 4041 TO AMENDMENT NO. 4022

Mr. MURKOWSKI. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

Mr. HOLLINGS. Parliamentary inquiry. Did we adopt the amendment?

The PRESIDING OFFICER. We have not adopted the amendment.

Mr. HOLLINGS. I ask unanimous consent it be agreed to.

The PRESIDING OFFICER. There is a pending second-degree amendment that has not been read.

The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI] for himself, Mr. WARNER, Mr. MCCAIN, Mr. CHAFEE, and Mr. SMITH, proposes an amendment numbered 4041 to amendment No. 4022.

Strike all after the word ''SEC.'' and insert:

The Congress finds that—

(1) The Founding Fathers were committed to the principle of civilian control of the military;

(2) Every President since George Washington has affirmed the principle of civilian control of the military;

(3) Twenty-six Presidents of the United States served in the United States Armed Forces prior to their inauguration and none of them claimed the Presidency represented a continuation of their military service;

(4) No President of the United States prior to May 15, 1996 has ever sought relief from legal action on the basis of serving as Commander-in-Chief of the United States Armed Forces;

(5) President Clinton is the subject of a sexual harassment lawsuit filed on May 6, 1994 in Federal District Court in Little Rock, Arkansas involving allegations about his conduct in May, 1991;

(6) On May 15, 1996, a legal brief filed on behalf of the President of the United States in the United States Supreme Court asserted the President of the United States may be entitled to the protections afforded members of the United States Armed Forces under the Soldiers' and Sailors' Relief Act of 1940 (50 U.S.C. 501 et. al); and

(7) The purpose of the Soldiers' and Sailors' Civil Relief Act of 1940 is to enable members of the military services ''to devote their entire energy to the defense needs of the nation.''

It is the sense of the Senate that the assumptions underlying this resolution include that the President of the United States should state unequivocally that he is not entitled to and will not seek relief from legal action under the Soldiers' and Sailors' Civil Relief Act of 1940, and that he will direct removal from his legal brief any reference to the protections of the Act.

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

The PRESIDING OFFICER. Each side gets 30 seconds. The Senator from Alaska has 30 minutes.

Mr. FORD. I asked for a quorum.

Mr. MURKOWSKI. I ask for the yeas and nays. Mr. President, along with Senators WARNER, CHAFEE and MCCAIN, who are cosponsors, I believe what we have here is an assertion without precedent. The President of the United States claims in a brief filed in the Supreme Court that a pending sexual harassment lawsuit against him should be delayed indefinitely. He claims he is entitled to the protection afforded members of the military under the Soldiers and Sailors Act of 1940.

For the President to make the claim that he is a member of the Armed Forces is simply beyond comprehension.

Mr. FORD. Mr. President, regular order.

Mr. MURKOWSKI. It flies in the face of the 207-year-old tradition established by George Washington that the U.S. military should be under civilian control.

Mr. FORD. Regular order.

Mr. MURKOWSKI. As the commander of the American Legion said: ''We've had plenty of great Americans take off a military uniform to assume the Presidency. None has ever put on a uniform after Inauguration Day.''

As a former member of the U.S. Coast Guard, I respectfully request that the President should immediately direct his attorney to drop this absurd claim.

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

The PRESIDING OFFICER. The Senator from Nebraska has 30 seconds.

Mr. EXON. My apologies to those I told we would be out of here by 5:10.

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

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

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Mississippi.

Mr. LOTT. Mr. President, it is obvious that we are not going to be able to work out an agreement as to how a vote can be obtained on this issue this afternoon. The budget resolution is very important to the American people. Therefore, I ask unanimous consent that the amendment be withdrawn following 4 minutes of debate equally divided between the amendment sponsor and the Democratic leader.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Reserving the right to object, Mr. President, I wonder if our leader will further say, when that is done what will happen, so we all know.

Mr. LOTT. I believe, Mr. President, from the chairman, we have one amendment left that will be voice voted, and we will be prepared to go to final passage immediately after that.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. DOMENICI. Does the unanimous-consent request include the last statement about the sequencing?

Mr. LOTT. Mr. President, I ask unanimous consent that the sequence after this exchange be, we have a voice vote on the pending McCain amendment and we go immediately to final passage of the budget resolution.

The PRESIDING OFFICER. Is there objection to the revised unanimous consent request? Without objection, it is so ordered.

The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, in the interest of moving the budget process along, I am withdrawing my amendment, but I want to assure my colleagues, until our President orders his legal counsel to drop this argument in court, I will be raising this issue on every bill.

As we go out for this Memorial Day recess, I urge all of us to reflect on the significance of this particular issue.

I yield the remaining time split between Senator MCCAIN and Senator WARNER.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I would like to read from the CONGRESSIONAL RECORD, October 7, 1940, referring to this act. It reads:

> The term ''person in military service'' and the term ''persons in the military service of the United States,'' as used in this Act, shall include the following persons and no others: All members of the Army of the United States, the United States Navy, the Marine Corps, the Coast Guard and all officers of the Public Health Service detailed by proper authority for duty either with the Army or the Navy. The term ''military service,'' as used in this Act, shall signify Federal service on active duty with any branch of service. * * *

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I do not know if the President of the United States knew that this was part of the defense prepared by his lawyers. I hope very strongly that he will have this taken from it. It is an issue which is very emotional to a lot of Americans, and I hope that by us raising this issue that the issue will be dispensed with very quickly by the President of the United States.

I yield back the remainder of my time.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, let me read a statement, first of all, by Robert Bennett, the attorney representing the President:

> * * * my petition on the President's behalf references the Soldiers' and Sailors' Civil Relief Act as one of five illustrative examples of the types of stays that can temporarily defer lawsuits. The President does not rely on the Act, and has no intention of doing so, as the basis for requesting relief in this case. Our petition does not rely on the Act, but is based instead on important constitutional principles. We have no intention of changing our approach in the future.

Mr. President, I submit for the RECORD the brief submitted on behalf of the President, and I ask unanimous consent that it be printed in the RECORD.

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

[In the Supreme Court of the United States, October term, 1995]

WILLIAM JEFFERSON CLINTON, PETITIONER, *vs.* PAULA CORBIN JONES, RESPONDENT

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Eighth Circuit.

PETITION FOR A WRIT OF CERTIORARI

QUESTIONS PRESENTED

1. Whether the litigation of a private civil damages action against an incumbent President must in all but the most exceptional cases be deferred until the President leaves office.

2. Whether a district court, as a proper exercise of judicial discretion, may stay such litigation until the President leaves office.

PARTIES TO THE PROCEEDING

Petitioner. President William Jefferson Clinton, was a defendant in the district court and appellant in the court of appeals. Respondent Paula Corbin Jones was the plaintiff in the district court and cross-appellant in the court of appeals. Danny Ferguson was a defendant in the district court.

Petitioner William Jefferson Clinton respectfully requests that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Eight Circuit entered in this case on January 9, 1996.

OPINIONS BELOW

The opinion of the court of appeals (Pet. App. 1) is reported at 72 F.3d 1354. The court of appeals' order denying the petition for rehearing (Pet. App. 32) is reported at 81 F.3d 78. The principal opinion of the district court (Pet. App. 54) is reported at 869 F. Supp. 690. Other published opinions of the district court (Pet. App. at 40 and 74) appear at 858 F. Supp. 902 and 879 F. Supp. 86.

JURISDICTION

The judgment of the United States Court of Appeals for the Eighth Circuit was entered on January 9, 1996. A petition for rehearing was filed on January 23, 1996, and denied on March 28, 1996. This Court's jurisdiction is invoked pursuant to 28 U.S.C. §1254(l) (1994).

LEGAL PROVISIONS INVOLVED IN THE CASE

U.S. CONST. art. II, §1, cl. 1.
U.S. CONST. art. II, §§2–4.
U.S. CONST. amend. XXV.
42 U.S.C. §1983 (1994).
42 U.S.C. §1985 (1994).
50 U.S.C. app. §510 (1988).
50 U.S.C. app. §521 (1988).
50 U.S.C. app. §525 (Supp. V 1993).
FED. R. CIV. P. 40.

These provisions are set forth at pages App. 79–85 of the Petitioner's Appendix.

STATEMENT OF THE CASE

Petitioner William Jefferson Clinton is President of the United States. On May 6, 1994, respondent Paula Corbin Jones filed this civil damages action against the President in the United States District Court for the Eastern District of Arkansas. The complaint was premised in substantial part on conduct alleged to have occurred three years earlier, before the President took office. The complaint included two claims arising under the federal civil rights statues and two arising under common law, and sought $175,000 in actual and punitive damages for each of the four counts.[1] Jurisdiction was asserted under 28 U.S.C. §§1331, 1332 and 1343 (1994).

The President moved to stay the litigation or to dismiss it without prejudice to its reinstatement when he left office, asserting that such a course was required by the singular nature of the President's Article II duties and by principles of separation of powers. The district court stayed trial until the President's service in office expired, but held that discovery could proceed immediately ''as to all persons including the President himself.'' Pet. App. 71.

The district court reasoned that ''the case most applicable to this one is *Nixon v. Fitzgerald,* [457 U.S. 731 (1982)],'' (Pet. App. 67) which held that a President is absolutely immune from any civil litigation challenging his official acts as President. While the holding of *Fitzgerald* did not apply to this case because President Clinton was sued primarily for actions taken before he became President, the court stated that ''[t]he language of the majority opinion'' in *Fitzgerald*

> ''is sweeping and quite firm in the view that to disturb the President with defending civil litigation that does not demand immediate attention . . . would be to interfere with the conduct of the duties of the office.''

Pet. App. 68–69. The district court further found that these concerns ''are not lessened

Footnotes at end of brief.

by the fact that [the conduct alleged] preceded his Presidency.'' *Id.* Invoking Federal Rule of Civil Procedure 40 and the court's equitable power to manage its own docket, the district judge stayed the trial ''[t]o protect the Office of President . . . from unfettered civil litigation, and to give effect to the policy of separation of powers.'' Pet. App. 72.[2]

The trial court, observing that the plaintiff had filed suit three years after the alleged events, further concluded that the plaintiff would not be significantly inconvenienced by delay of trial. Pet. App. 70. However, it found ''no reason why the discovery and deposition process could not proceed,'' and said that this would avoid the possible loss of evidence with the passage of time. Pet. App. 71.

The President and respondent both appealed.[3] A divided panel of the court of appeals reversed the district court's order staying trial, and affirmed its decision allowing discovery to proceed. The panel issued three opinions.

Judge Bowman found the reasoning in Fitzgerald ''inapposite where only personal, private conduct by a President is at issue,'' (Pet. App. 11), and determined that ''the Constitution does not confer upon an incumbent President any immunity from civil actions that arise from his unofficial acts.'' Pet. App. 16. He also wrote that

''[t]he Court's struggle in *Fitzgerald* to establish presidential immunity for acts within the outer perimeter of official responsibility belies the notion . . . that beyond this outer perimeter there is still more immunity waiting to be discovered.''

Pet. App. 9.

Judge Bowman further concluded that it would be an abuse of discretion to stay all proceedings against an incumbent President, asserting that the President ''is entitled to immunity, if at all, only because the Constitution ordains it. Presidential immunity thus cannot be granted or denied by the courts as an exercise of discretion.'' Pet. App. 16. Ruling that the court of appeals had ''pendent appellate jurisdiction'' to entertain respondent's challenge to the stay of trial issued by the district court, (Pet. App. 5 n.4) (citing *Kincade v. City of Blue Springs, Mo.*, 64 F.3d 389, 394 (8th Cir. 1995), *cert. denied*, 1996 WL 26287 (Apr. 29, 1996)), Judge Bowman accordingly reversed that stay as an abuse of discretion. Pet. App. 13 n.9.

In reaching these conclusions, Judge Bowman put aside concerns that the separation of powers could be jeopardized by a trial court's exercising control over the President's time and priorities, through the supervision of discovery and trial. He stated that any separation of powers problems could be avoided by ''judicial case management sensitive to the burdens of the presidency and the demands of the President's schedule.'' Pet. App. 13.

Judge Beam ''concur[red] in the conclusions reached by Judge Bowman.'' Pet. App. 17. He stated that the issues presented ''raise matters of substantial concern given the constitutional obligations of the office'' of the Presidency. Pet. App. 17. He also acknowledged that ''judicial branch interference with the functioning of the presidency should this suit be allowed to go forward'' is a matter of ''major concern.'' Pet. App. 21. He expressed his belief, however, that this litigation could be managed with a ''minimum of impact on the President's schedule.'' Pet. App. 23. This could be accomplished, he suggested, by the President's choosing to forgo attending his own trial or becoming involved in discovery, or by limiting the number of pre-trial encounters between the President and respondent's counsel. Pet. App. 23–24. Judge Beam stated that he was concurring ''[w]ith [the] understanding'' that the trial judge would have substantial latitude to manage the litigation in a way that would accommodate the interests of the Presidency. Pet. App. 25.

Judge Ross dissented, stating that the ''language, logic and intent'' of *Fitzgerald*

''directs a conclusion here that, unless exigent circumstances can be shown, private actions for damages against a sitting President of the United States, even though based on unofficial acts, must be stayed until the completion of the President's term.''

Pet. App. 25. Judge Ross observed that ''[n]o other branch of government is entrusted to a single person,'' and determined that

''[t]he burdens and demands of civil litigation can be expected * * * to divert [the President's] energy and attention from the rigorous demands of his office to the task of protecting himself against personal liability. That result * * * would impair the integrity of the role assigned to the President by Article II of the Constitution.''

Pet. App. 26.

Judge Ross also stated that private civil suits against sitting Presidents

''create opportunities for the judiciary to intrude upon the Executive's authority, set the stage for potential constitutional confrontations between courts and a President, and permit the civil justice system to be used for partisan political purposes.''

Pet. App. 28. At the same time, he reasoned, postponing litigation ''will rarely defeat a plaintiff's ability to ultimately obtain meaningful relief.'' Pet. App. 30. Judge Ross concluded that litigation should proceed against a sitting President only if a plaintiff can ''demonstrate convincingly both that delay will seriously prejudice the plaintiff's interests and that * * * [it] will not significantly impair the president's ability to attend to the duties of his office.'' Pet. App. 31.

The court of appeals denied the President's request for a rehearing en banc, with three judges not participating and Judge McMillian dissenting. Judge McMillian said the majority's holding had ''demean[ed] the Office of the President of the United States.'' Pet. App. 32. He wrote that the panel majority ''would put all the problems of our nation on pilot control and treat as more urgent a private lawsuit that even the [respondent] delayed filing for at least *three* years,'' and would ''allow judicial interference with, and control of, the President's time.'' Pet. App. 33.

REASONS FOR GRANTING THE PETITION

This case presents a question of extraordinary national importance, which was resolved erroneously by the court of appeals. For the first time in our history, a court has ordered a sitting President to submit, as a defendant, to a civil damages action directed at him personally. We believe that absent exceptional circumstances, an incumbent President should never be placed in this position. And surely a President should not be placed in this position for the first time in our history on the basis of a decision by a fragmented panel of a court of appeals, without this Court's review.

The decision of the court below is erroneous in several respects. It is inconsistent with the reasoning of *Nixon v. Fitzgerald* and with established separation of powers principles. The panel majority's suggested cure for the separation of powers problems—''judicial case management sensitive to . . . the demands of the President's schedule'' (Pet. App. 13)—is worse than the disease: it gives a trial court a general power to set priorities for the President's time and energies. The panel majority also grossly overstated the supposedly extraordinary character of the relief that the President seeks. The deferral of litigation for a specified, limited period is far from unknown in our judicial system, and it is routinely afforded in order to protect interests that are not comparable in importance to the interests the President advances here.

Now is the appropriate time for the Court to address these issues. If review is declined, the President would have to undergo discovery and trial while in office, which would eviscerate the very interests he seeks to vindicate. Moreover, if the decision below is allowed to stand, federal and state courts could be confronted with more private civil damage complaints against incumbent Presidents. Such complaints increasingly would enmesh Presidents in the judicial process, and the courts in the political arena, to the detriment of both.

A. The Decision Below Is Inconsistent With This Court's Decisions And Jeopardizes The Separation Of Powers

1. The President ''occupies a unique position in the constitutional scheme.'' *Nixon v. Fitzgerald*, 457. 731, 749 (1982). Unlike the power of the other two branches, the entire ''executive Power'' is vested in a single individual, ''a President,'' who is indispensable to the execution of that authority. U.S. CONST. art. II, §1. The President is never off duty, and any significant demand on his time necessarily imposes on his capacity to carry out his constitutional responsibilities.

Accordingly, ''[c]ourts traditionally have recognized the President's constitutional responsibilities and status as factors counseling judicial deference and restraint.'' *Fitzgerald*, 457 U.S. 753. Indeed, ''[t]his tradition can be traced far back into our constitutional history.'' *Id*, at 753 n.34. The form of ''judicial deference and restraint'' that the President seeks here—merely postponing the suit against him until he leaves office—is modest. It is far more limited, for example, than the absolute immunity that *Fitzgerald* accorded all Presidents for action taken within the scope of their presidential duties.

The panel majority concluded that because the *Fitzgerald* holding was limited to civil damages claims challenging official acts, the President should receive no form of protection from any other civil suits. This conclusion is flatly inconsistent with the reasoning of *Fitzgerald*. The Court in *Fitzgerald* determined that the President was entitled to absolute immunity not only because the threat of liability for official acts might inhibit him in the exercise of his authority (*id.* at 752 & n.32), but also because, in the Court's words, ''the singular importance of the President's duties'' means that ''diversion of his energies by concern with private lawsuits would raise unique risks to the effective functioning of government.'' *Id.* at 751,

The panel majority ignored this second basis for the holding of *Fitzgerald*. The first basis of *Fitzgerald*—that the threat of liability might chill official Presidential decision making—is, of course, largely not present here, and accordingly, the President does not seek immunity from liability.[4] But the second danger to the Presidency emphasized by *Fitzgerald*—the burdens inevitably attendant upon being a defendant in a lawsuit—clearly exists here. the court of appeals simply disregarded this ''unique risk[] to the effective functioning of government.''

2. As the *Fitzgerald* Court demonstrated, the principle that a siting President may not be subjected to private civil lawsuits has deep roots in our traditions. *See* 457 U.S. at 751 n.31. Justice Story stated that

''[t]he president cannot . . . be liable to arrest, imprisonment, or detention, while he is in the discharge of the duties of his office; and for this purpose *his person must be*

deemed, in civil cases at least, to possess an official inviolability.''

3 JOSEPH STORY, COMMENTARIES ON THE CONSTITUTION OF THE UNITED STATES §1563, pp. 418–19 (1st ed. 1833) (emphasis added), *quoted in Fitzgerald,* 457 U.S. at 749. Senator Oliver Ellsworth and then-Vice President John Adams, both delegates to the Constitutional Convention, also agreed that

''the President, personally, was not . . . subject to any process whatever . . . For [that] would . . . put it in the power of a common justice to exercise any authority over him and stop the whole machine of Government.''

JOURNAL OF WILLIAM MACLAY 167 (E. Maclay ed., 1890), *quoted in Fitzgerald,* 457 U.S. at 751 n.31.

President Jefferson was even more emphatic:

''The leading principle of our Constitution is the independence of the Legislature, executive and judiciary of each other. . . . But would the executive be independent of the judiciary, if he were subject to the *commands* of the latter, & to imprisonment for disobedience; if the several courts could bandy him from pillar to post, keep him constantly trudging from north to south & east to west, and withdraw him entirely from his constitutional duties?''

10 The Works of Thomas Jefferson 404 n. (Paul L. Ford ed., 1905), *quoted in Fitzgerald,* 457 U.S. at 751 n.31. As the Court said in *Fitzgerald,* ''nothing in [the Framers'] debates suggests an expectation that the President would be subjected to the distraction of suits by disappointed private citizens.'' 457 U.S. 751 n.31.

3. The panel majority minimized the separation of powers concerns that so troubled the Framers. It ruled that these problems can never be addressed by postponing litigation against the President until the end of his term. Pet. App. 16. Instead, the panel majority's solution was ''judicial case management sensitive to the burdens of the presidency and the demands of the President's schedule.'' Pet. App. 13. Rather than solving the separation of powers problems raised by allowing a suit to go forward against a sitting President, the panel's approach only exacerbates them.

The panel majority envisioned that, throughout the course of litigation against him, a President could ''pursue motions for rescheduling, additional time, or continuances'' if he could show that the proceedings ''interfer[ed] with specific, particularized, clearly articulated presidential duties.'' Pet. App. 16. If the President disagreed with a decision of the trial court, he could ''petition [the court of appeals] for a writ of mandamus or prohibition.'' Pet. App. 16. In other words, under the panel's approach, a trial court could insist, before considering a request by the President for adjustment in the litigation schedule, that the President provide a ''specific, particularized'' explanation of why he believed his official duties prevented him from devoting his attention to the litigation at that time. The court would then be in the position of repeatedly evaluating the President's official priorities—precisely what Jefferson so feared.

This approach is an obvious affront to the complex and delicate relationship between the Judiciary and the Presidency. Neither branch should be in a position where it must approach the other for approval to carry out its day-to-day responsibilities. Even if a trial court discharged this mission with the greatest judiciousness, it is difficult to think of anything more inconsistent with the separation of powers than to put a court in the position of continually passing judgment on whether the President is spending time in a way the court finds acceptable.

4. The panel majority similarly attempted to downplay the demands that defending private civil litigation would impose on the President's time and energies. Pet. App. 13–15. The concurring opinion in particular likened the defense of a personal damages suit to the few instances when Presidents have testified as witnesses in judicial or legislative proceedings. Pet. App. 22–23. This notion is implausible on its face; there is no comparison between being a defendant in a civil damages action and merely being a witness. Even so, Presidents have been called as witnesses only in cases of exigent need, and only under carefully controlled circumstances designed to minimize intrusions on the President's ability to carry out his duties.

A sitting President has never been compelled to testify in civil proceedings. Presidents occasionally have been called upon to testify in criminal proceedings, in order to preserve the public's interest in criminal law enforcement (*Fitzgerald,* 457 U.S. at 754) and the defendant's Constitutional right to compulsory process (U.S. Const. amend. VI; *United States v. Burr,* 25 F. Cas. 30, 33 (C.C.D. Va 1807) (No. 14,692d))—factors that are, of course, not present here. But even in those compelling cases, as Chief Justice Marshall recognized, courts are not ''required to proceed against the president as against an ordinary individual.'' *United States v. Burr,* 25 F. Cas. 187, 192 (C.C.D. Va. 1807) (No. 14,694). Instead, courts have required a heightened showing of need for the President's testimony, and have permitted it to be obtained only in a manner that limits the disruption of his official functions, such as by videotaped deposition.[5]

In any event, there is an enormous difference between being a third-party witness and being a defendant threatened with financially ruinous personal liability. This is true even for a person with only the normal business and personal responsibilities of everyday life—which are, of course, incalculably less demanding than those of the President. A President as a practical matter could never wholly ignore a suit such as the present one, which seeks to impugn the President's character and to obtain $700,000 in putative damages from the President personally. ''The need to defend damages suits would have the serious effect of diverting the attention of a President from his executive duties since defending a lawsuit today—even a lawsuit ultimately found to be frivolous—often requires significant expenditures of time and money, as many former public officials have learned to their sorrow,'' *Fitzgerald,* 457 U.S. at 763 (Burger, C.J., concurring).

Judge Learned Hand once commented that as a litigant, he would ''dread a lawsuit beyond anything else short of sickness and death.''[6] In this regard the President is like any other litigant, except that a President's litigation, like a President's illness, becomes the nation's problem.

B. The Court of Appeals Erred in Viewing the Relief Sought by the President As Extraordinary

The court below appears to have viewed the President's claim in this case as exceptional, both in the relief that it sought and in the burden that it imposed on respondent.[7] In fact, far from seeking a ''degree of protection from suit for his private wrongs enjoyed by no other public official (much less ordinary citizens)'' (Pet. App. 13), the relief that the President seeks—the temporary deferral of litigation—is far from unknown in our system, and the burdens it would impose on plaintiffs are not extraordinary.

There are numerous instances where civil plaintiffs are required to accept the temporary postponement of litigation so that important institutional or public interests can be protected. For example, the Soldiers' and Sailors' Civil Relief Act of 1940, 50 U.S.C. app. §§501–25 (1988 & Supp. V 1993), provides that civil claims by or against military personnel are to be tolled and stayed while they are on active duty.[8] Such relief is deemed necessary to enable members of the armed forces ''to devote their entire energy to the defense needs of the Nation.'' 50 U.S.C. app. §510 (1988). President Clinton here thus seeks relief similar to that to which he may be entitled as Commander-In-Chief of the Armed Forces, and which is routinely available to service members under his command.

The so-called automatic stay provision of the Bankruptcy Code similarly provides that litigation against a debtor is to be stayed as soon as a party files a bankruptcy petition. That stay affects all litigation that ''was or could have been commenced'' prior to the filing of that petition, 11 U.S.C. §362 (1994), and ordinarily will remain in effect until the bankruptcy proceeding is completed. *Id.*[9] Thus, if respondent had sued a party who entered bankruptcy, respondent would automatically find herself in the same position she will be in if the President prevails before the Court—except that the bankruptcy stay is indefinite, while the stay in this case has a definite term, circumscribed by the constitutional limit on a President's tenure in office.

It is well established that courts, in appropriate circumstances, may put off civil litigation until the conclusion of a related criminal prosecution against the same defendant.[10] That process may, of course, take several years, and affords the civil plaintiff no relief. The doctrine of primary jurisdiction, where it applies, compels plaintiffs to postpone the litigation of their civil claims while they pursue administrative proceedings, even though the administrative proceedings may not provide the relief they seek. This process too can take several years. *See, e.g., Ricci* v. *Chicago Mercantile Exch.,* 409 U.S. 289, 306–07 (1973). And public officials who unsuccessfully raise a qualified immunity defense in a trial court are entitled, in the usual case, to a stay of discovery while they pursue an interlocutory appeal. *Harlow* v. *Fitzgerald,* 457 U.S. 800, 818 (1982). Such appeals can routinely delay litigation for a substantial period.

We do not suggest that all of these doctrines operate in exactly the same way as the relief that the President seeks here. But these examples thoroughly dispel any suggestion that the President, in asking that this litigation be deferred, is somehow placing himself ''above the law,'' or that holding this litigation in abeyance would impermissibly violate a plaintiff's entitlement to access to the courts. More specifically, these examples demonstrate that what the President is seeking—the temporary deferral of litigation—is relief that our judicial system routinely provides when significant institutional or public interests are at stake, as they manifestly are here.

C. The Panel Majority Erred In Asserting Jurisdiction Over, And Reversing, The District Court's Discretionary Decision To Stay The Trial Until After President Clinton Leaves Office

1. Respondent cross-appealed to challenge the district court's order to stay trial. Ordinarily, a decision by a district court to stay proceedings is not a final decision for purposes of appeal. *Moses H. Cone Memorial Hosp.* v. *Mercury Constr. Corp.,* 460 U.S. 1, 10 n.11 (1983). Such orders may be reviewed on an interlocutory basis only by writ of mandamus. *See* U.S.C. §651 (1994).[11] Inserting that jurisdiction existed for her cross-appeal, the respondent did not seek such a writ or contend that the stay was appealable under 28 U.S.C. §1291 (1994) as a final order, or as a collateral

order under *Cohen v. Beneficial Indus. Loan Corp.,* 337 U.S. 541, 546 (1949). Instead respondent asserted, and the panel majority found, that the Court of Appeals had ''pendent appellate jurisdiction'' over respondent's cross-appeal. Pet. App. 5 n.4.

In *Swint v. Chambers County Comm'n,* 115 S. Ct. 1203 (1995), this Court ruled that the notion of ''pendent appellate jurisdiction,'' if viable at all, is extremely narrow in scope (*see id.* at 1212), and is not to be used ''to parlay *Cohen*-type collateral orders into multi-issue interlocutory appeal tickets.'' *Id.* at 1211. The panel majority sought to avoid *Swint* by declaring that respondent's cross-appeal was ''inextricably intertwined'' with the President's appeal. Pet. App. 5 n.4. This conclusion is incorrect.

The question of whether the President is entitled, as a matter of law, to defer this litigation is analytically distinct from the question of whether a district court may exercise its discretion to stay all or part of the litigation. The former question raises an issue of law, to be decided based on the President's constitutional role and the separation of powers principles we have discussed; the latter is a discretionary determination to be made on the basis of the particular facts of the case. Moreover, the legal question of whether a President is entitled to defer litigation is one on which the district court's determination is entitled to no special deference; a court's exercise of discretion to stay proceedings is a determination that can be overturned only for abuse of that discretion.

The district court, in deciding to postpone trial in this case, explicitly invoked its discretionary powers over scheduling (Pet. App. 71 (citing Fed. R. Civ. P. 40 and ''the equity powers of the Court'')), and based its decision not only on the defendant's status as President—certainly a relevant and valid factor—but also on a detailed discussion of the particular circumstances of this case:

''This is not a case in which any necessity exists to rush to trial. It is not a situation, for example, in which someone has been terribly injured in an accident . . . and desperately needs to recover . . . damages. . . . It is not a divorce action, or a child custody or child support case, in which immediate personal needs of other parties are at stake. Neither is this a case that would likely be tried with few demands on Presidential time, such as an *in rem* foreclosure by a lending institution.''

''The situation here is that the Plaintiff filed this action two days before the three-year statute of limitations expired. Obviously, Plaintiff Jones was in no rush to get her case to court. . . . Consequently, the possibility that Ms. Jones may obtain a judgment and damages in this matter does not appear to be of urgent nature for her, and a delay in trial of the case will not harm her right to recover or cause her undue inconvenience.''

Pet App. 70.

Review of the district court's discretionary decision to postpone the trial—unlike review of its decision to reject the President's position that the entire case should be deferred as a matter of law—must address these particular facts of this case. Thus the respondent's cross-appeal raised issues that, far from being ''inextricably intertwined'' with the President's submission, can be resolved separately from it. The panel majority's expansion of the court of appeals' jurisdiction over this interlocutory appeal was in error.

2. The decision to reverse the district court also was incorrect on the merits. As Justice Cardozo explained for this Court in *Landis v. North Am. Co.,* 299 U.S. 248 (1936), a trial judge's decision to stay proceedings should not be lightly overturned:

''[T]he power to stay proceedings is incidental to the power inherent in every court to control the disposition of the causes on its docket. . . . How this can best be done calls for the exercise of judgment, which must weigh competing interests and maintain an even balance.''

Id. at 254–55. Indeed, the Court in *Landis* specifically stated that

''[e]specially in cases extraordinary public moment, the [plaintiff] may be required to submit to delay not immoderate in extent and not oppressive in its consequences if the public welfare or convenience will thereby be promoted.''

Id. at 256.

The panel majority justified its reversal of the district court with a single sentence in a footnote: ''Such an order, delaying the trial until Mr. Clinton is no longer President, is the functional equivalent of a grant of temporary immunity to which, as we hold today, Mr. Clinton is not constitutionally entitled.'' Pet. App. 13 n.9. It is unclear what the panel meant by labeling the district court's order the ''functional equivalent'' of ''temporary immunity'', inasmuch as the district court held that the litigation could go forward through all steps short of trial. But it is entirely clear that the panel majority, in its sweeping and conclusory ruling, did not begin to conduct the kind of careful weighing of the particular facts and circumstances that might warrant a conclusion that the trial court here abused its discretion.

D. The Court Should Grant Review Now To Protect The Interests Of The Presidency

This is the only opportunity for the Court to review the President's claim and grant adequate relief. If review is declined at this point, the case will proceed in the trial court, and the interests the President seeks to preserve by having the litigation deferred—interests ''rooted in the constitutional tradition of the separation of powers''—will be irretrievably lost. *Fitzgerald,* 457 U.S. at 743, 749. Should the President prevail on the merits below, this Court will not even have the opportunity to provide guidance for future cases.

Now, a court for the first time in history has held that a sitting President is required to defend a private civil damages action. This holding breaches historical understandings that are as appropriate today as ever before.[12] The court in *Fitzgerald* specifically anticipated the threat posed by suits of this kind. Because of ''the sheer prominence of the President's office,'' the Court noted, the President ''would be an easily identifiable target for suits for civil damages.'' 457 U.S. at 752–53. Chief Justice Burger added: ''When litigation processes are not tightly controlled . . . they can be and are used as mechanisms of extortion. Ultimate vindication on the merits does not repair the damage.'' *Id.* at 763 (concurring opinion). In these circumstances, the fact that there is ''no historical record of numerous suits against the President''—as there was no comparable record before *Fitzgerald* (*id.* at 753 n.33)—provides no reassurance at all that this case will be an isolated one.

There is no question that the issues raised by this case will have profound consequences for both the Presidency and the Judiciary. The last word on issues of this importance should not be a decision by a splintered panel of a court of appeals—a decision that is inconsistent with the precedents of this Court and with the constitutional tradition of separation of powers. The Court has recognized that a ''special solicitude [is] due to claims alleging a threatened breach of essential Presidential prerogatives under the separation of powers.'' *Id.* at 743. The Court should grant review now, to protect those prerogatives.

CONCLUSION

For the foregoing reasons, we respectfully request that the President's petition for writ of certiorari be granted.

Respectfully submitted,

ROBERT S. BENNETT
Counsel of Record.

Carl S. Rauh, Alan Kriegel, Amy R. Sabrin, Stephen P. Vaughn, Skadden, Arps, Slate, Meagher & Flom, 1440 New York Avenue, N.W., Washington, DC. 20005.

Of Counsel:

David A. Strauss, Geoffrey R. Stone, 1111 East 60th Street, Chicago, Illinois 60637. May 15, 1996.

Attorneys for the Petitioner President William Jefferson Clinton.

FOOTNOTES

[1] The first two counts allege that in 1991, when the President was Governor of Arkansas and respondent a state employee, he subjected respondent to sexual harassment and thereby deprived her of her civil rights in violation of 42 U.S.C. §§1983, 1985 (1994). A third claim alleges that the President thereby inflicted emotional distress upon respondent. Finally, the complaint alleges that in 1994, while he was President, petitioner defamed respondent through statements attributed to the White House Press Secretary and his lawyer, denying her much-publicized allegations against the President.

Arkansas State Trooper Danny Ferguson was named as codefendant in two counts. Respondent alleges that Trooper Ferguson approached her on the President's behalf, thereby conspiring with the President to deprive the respondent of her civil rights in violation of 42 U.S.C. §1985. Respondent also alleges that Mr. Ferguson defamed her in statements about a woman identified only as ''Paula,'' which were attributed to an anonymous trooper in an article about President Clinton's personal conduct published in *The American Spectator* magazine. Neither the publication nor the author was named as a defendant in the suit.

[2] The stay of trial encompassed the claims against Trooper Ferguson as well, because the court found that there was ''too much interdependency of events and testimony to proceed piecemeal,'' and that ''it would not be possible to try the Trooper adequately without testimony from the President.'' Pet. App. 71.

[3] Jurisdiction for the President's appeal was founded on 28 U.S.C. §1291 (1994) and the collateral order doctrine, as articulated in *Mitchell v. Forsyth,* 472 U.S. 511, 526 (1985) and *Nixon v. Fitzgerald,* 457 U.S. 731, 743 (1982). In our view, however, the court of appeals lacked jurisdiction to entertain respondent Jones' cross-appeal. *See infra* pp. 16–19. The district court stayed the litigation as to both defendants pending appellate review. Pet. App. 74.

[4] The President reserved the right below to assert at the appropriate time, along with certain common law immunities, the defense of absolute immunity to the defamation claim that arose during his Presidency.

[5] *See e.g., United States v. McDougal,* No. LR–CR–95–173 (E.D. Ark. Mar. 20, 1996) (videotaped deposition at the White House); *United States v. Poindexter,* 732 F. Supp. 142, 146–47 (D.C.C. 1990) (videotaped deposition); *United States v. North,* 713 F. Supp. 1448, 1449 (D.D.C. 1989) (quashing subpoena because defendant failed to show that President's testimony would support his defense), *aff'd,* 910 F.2d 843 (D.C. Cir. 1990), *cert. denied,* 500 U.S. *941 (1991); United States v. Fromme,* 405 F. Supp. 578, 583 (E.D. Cal. 1975) (videotaped deposition).

[6] *3 Lectures on Legal Topics,* Assn. of the Bar of the City of New York 105 (1926), *quoted in Fitzgerald,* 457 U.S. at 763 n.6 (Burger, C.J., concurring).

[7] For example, the panel majority declared that Article II ''did not create a monarchy'' and that the President is ''cloaked with none of the attributes of sovereign immunity.'' Pet. App. 6.

[8] Specifically, a lawsuit against an active-duty service member is to be stayed unless it can be shown that the defendant's ''ability . . . To conduct his defense is not materially affected by reason of his military service.'' 50 U.S.C. app. §521 (1988).

[9] Indeed, a bankruptcy judge's discretion has been held sufficient to authorize a stay of third-party litigation in other courts that conceivably could have an effect on the bankruptcy estate, even if the debtor is not a party to the litigation and the automatic stay is not triggered. *See* 11 U.S.C. §105 (1994); 2 COLLIER ON BANKRUPTCY ¶105.02 (Lawrence P. King ed., 15th ed. 1994), and cases cited therein.

[10] *See, e.g., Koester v. American Republic Invs.,* 11 F.3d 818, 823 (8th Cir. 1993); *Wehling v. Columbia*

Broadcasting Sys., 608 F.2d 1084 (5th Cir. 1979); *United States v. Mellon Bank, N.A.*, 545 F.2d 869 (3d Cir. 1976).

[11] Some courts recognize that exceptions may exist in cases in which a stay is ''tantamount to a dismissal'' because it ''effectively ends the litigation.'' *See, e.g., Boushel v. Toro Co.*, 985 F.2d 406, 408 (8th Cir. 1993); *Cheyney State College Faculty v. Hufstedler*, 703 F.2d 732, 735 (3d Cir. 1983). Even assuming that this exception should be allowed, it is not applicable here, where the district court's order clearly contemplated further proceedings in federal court. *See Boushel*, 985 F.2d at 408–09.

[12] Heretofore, there have been no private civil damage suits initiated or actively litigated while defendant was serving as President. While there are recorded private civil suits against Theodore Roosevelt, Harry Truman and John F. Kennedy, all were underway before the defendant assumed office. The first two were dismissed by the time the defendant became President; after each took office, the dismissal as confirmed on appeal. *See New York ex rel. Hurley v. Roosevelt*, 179 N.Y. 544 (1904); *DeVault v. Truman*, 194 S.W.2d 29 (Mo. 1946). The Kennedy case was filed while he was a candidate, and was settled after President Kennedy's inauguration, without any discovery against the Chief Executive. *See, Bailey v. Kennedy*, No. 757200, and *Hills v. Kennedy*, No. 757201 (Los Angeles County Superior Court, both filed Oct. 27, 1960).

Mr. DASCHLE. Mr. President, we all ought to recognize this for what it is. This is politics; this is an effort to embarrass the President of the United States. We all understand that. We all fully appreciate what is going on here.

The fact is, the President has said over and over that the Constitution is his source on all that he does. And certainly in this case, that principle is again articulated in the statement made by Mr. Bennett.

The brief refers to five illustrative examples. That is all. They are illustrative, they are analogous. In no way does the President rely on the Soldiers' and Sailors' Act for any defense or any exemption from legal action. So this resolution is based on a completely false premise and is totally misdirected.

We look forward to the opportunity of having many of these debates in the coming months, because if we are going to be devoting our attention to this kind of minutiae and this kind of politicization of our debate in the coming months, as our colleagues apparently plan to do, we will get nothing done in this Senate. But that may be their choice.

The fact is, the President clearly has made his case. This amendment is in error, and we will have more opportunities to talk about it in the future.

The PRESIDING OFFICER. Under the previous order, the amendment of the Senator from Alaska is withdrawn.

The amendment (No. 4041) was withdrawn.

AMENDMENT NO. 4022

The PRESIDING OFFICER. Under the previous order, the question is on agreeing to the MCCAIN amendment.

The amendment (No. 4022) was agreed to.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 413, House Concurrent Resolution 178, the House budget resolution; further, that all after the resolving clause be stricken, the text of Senate Concurrent Resolution 57, as amended, be inserted in lieu thereof, the Senate then proceed to vote on adoption of the concurrent resolution, and immediately thereafter, the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate, and that all of this occur without any intervening debate.

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

The clerk will report.

The bill clerk read as follows:

A concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the United States Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001 and 2002.

The Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

CHANGE OF VOTE

Mr. WARNER. Mr. President, I ask unanimous consent to change my vote on rollcall vote No. 153, the Domenici second-degree amendment No. 4027, from ''nay'' to ''aye.''

The amendment was overwhelmingly approved by a vote of 75 to 25, so a change in my vote will make no difference in the outcome of the legislation.

I understand that amendment 4027 would add $5 billion in discretionary spending authority, much of which will go to medical research and education, and that there is no impact on the Department of Defense as proposed in the underlying Specter-Harkin amendment No. 4012.

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

The PRESIDING OFFICER. The question is on agreeing to House Concurrent Resolution 178, as amended. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. BUMPERS] is necessarily absent.

The result was announced—yeas 53, nays 46, as follows:

[Rollcall Vote No. 156 Leg.]

YEAS—53

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

NAYS—46

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

NOT VOTING—1

Bumpers

The concurrent resolution (H. Con. Res. 178), as amended, was agreed to; as follows:

Resolved, That the resolution from the House of Representatives (H. Con. Res. 178) entitled ''Concurrent resolution establishing the congressional budget for the United States Government for fiscal year 1997 and setting forth appropriate budgetary levels for the fiscal years 1998, 1999, 2000, 2001, and 2002.'', do pass with the following amendment:

Strike out all after the resolving clause and insert:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997.

(a) DECLARATION.—The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1997, including the appropriate budgetary levels for fiscal years 1998, 1999, 2000, and 2001, as required by section 301 of the Congressional Budget Act of 1974, and including the appropriate levels for fiscal year 2002.

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

Sec. 1. Concurrent Resolution on the Budget for Fiscal Year 1997.

TITLE I—LEVELS AND AMOUNTS

Sec. 101. Recommended levels and amounts.
Sec. 102. Debt increase.
Sec. 103. Social Security.
Sec. 104. Major functional categories.
Sec. 105. Reconciliation.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

Sec. 201. Discretionary spending limits.
Sec. 202. Tax reserve fund in the Senate.
Sec. 203. Superfund reserve fund in the Senate.
Sec. 204. Scoring of emergency legislation.
Sec. 205. Exercise of rulemaking powers.

TITLE III—SENSE OF THE CONGRESS, HOUSE OF REPRESENTATIVES, AND SENATE

Sec. 301. Sense of the Congress on sale of Government assets.
Sec. 302. Sense of the Congress that tax reductions should benefit working families.
Sec. 303. Sense of the Congress on a Bipartisan Commission on the Solvency of Medicare.
Sec. 304. Sense of the Senate on considering a change in the minimum wage in the Senate.
Sec. 305. Sense of the Senate on long term projections in budget estimates.
Sec. 306. Sense of the Congress on medicare transfers.
Sec. 307. Sense of the Senate on repeal of the gas tax.
Sec. 308. Sense of the Senate on medicare trustees report.
Sec. 309. Sense of the Congress regarding changes in the medicare program.

Sec. 310. Sense of the Senate on funding to assist youth at risk.
Sec. 311. Sense of the Senate regarding the use of budgetary savings.
Sec. 312. Sense of the Senate regarding the transfer of excess Government computers to public schools.
Sec. 313. Sense of the Senate on Federal retreats.
Sec. 314. Sense of the Senate regarding the essential air service program of the Department of Transportation.
Sec. 315. Sense of the Senate regarding equal retirement savings for homemakers.
Sec. 316. Sense of the Senate regarding the National Institute of Drug Abuse.
Sec. 317. Sense of the Senate regarding the extension of the employer education assistance exclusion under section 127 of the Internal Revenue Code of 1986.
Sec. 318. Sense of the Senate regarding the Economic Development Administration placing high priority on maintaining field-based economic development representatives.
Sec. 319. Sense of the Senate regarding revenue assumptions.
Sec. 320. Sense of the Senate regarding domestic violence.
Sec. 321. Sense of the Senate regarding student loans.
Sec. 322. Sense of the Senate regarding reduction of the national debt.
Sec. 323. Sense of the Senate regarding hungry or homeless children.
Sec. 324. Sense of the Senate on LIHEAP.
Sec. 325. Sense of the Congress regarding additional charges under the medicare program.
Sec. 326. Sense of the Congress regarding nursing home standards.
Sec. 327. Sense of the Congress concerning nursing home care.
Sec. 328. Sense of the Congress regarding requirements that welfare recipients be drug-free.
Sec. 329. Sense of the Senate on Davis-Bacon.
Sec. 330. Sense of the Senate on Davis-Bacon.
Sec. 331. Sense of Congress on reimbursement of the United States for Operations Southern Watch and Provide Comfort.
Sec. 332. Accurate index for inflation.
Sec. 333. Sense of the Senate on solvency of the Medicare Trust Fund.
Sec. 334. Sense of the Congress that the 1993 income tax increase on social security benefits should be repealed.
Sec. 335. Sense of the Senate regarding the Administration's practice regarding the prosecution of drug smugglers.
Sec. 336. Corporate subsidies and sale of Government assets.
Sec. 337. Sense of the Senate on the Presidential Election Campaign Fund.
Sec. 338. Sense of the Senate regarding welfare reform.
Sec. 339. A resolution regarding the Senate's support for Federal, State, and local law enforcement.
Sec. 340. Sense of the Senate regarding the funding of Amtrak.
Sec. 341. Sense of the Senate—Truth in Budgeting.

TITLE I—LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution—

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 1997: $1,086,200,000,000.
Fiscal year 1998: $1,129,900,000,000.
Fiscal year 1999: $1,176,100,000,000.
Fiscal year 2000: $1,229,900,000,000.
Fiscal year 2001: $1,289,600,000,000.
Fiscal year 2002: $1,359,100,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1997: −$14,100,000,000.
Fiscal year 1998: −$18,600,000,000.
Fiscal year 1999: −$22,300,000,000.
Fiscal year 2000: −$21,900,000,000.
Fiscal year 2001: −$21,500,000,000.
Fiscal year 2002: −$14,800,000,000.

(C) The amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1997: $108,000,000,000.
Fiscal year 1998: $113,100,000,000.
Fiscal year 1999: $119,200,000,000.
Fiscal year 2000: $125,500,000,000.
Fiscal year 2001: $131,300,000,000.
Fiscal year 2002: $137,700,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 1997: $1,323,100,000,000.
Fiscal year 1998: $1,361,600,000,000.
Fiscal year 1999: $1,392,400,000,000.
Fiscal year 2000: $1,433,600,000,000.
Fiscal year 2001: $1,454,000,000,000.
Fiscal year 2002: $1,499,100,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1997: $1,318,600,000,000.
Fiscal year 1998: $1,353,500,000,000.
Fiscal year 1999: $1,382,400,000,000.
Fiscal year 2000: $1,415,600,000,000.
Fiscal year 2001: $1,433,100,000,000.
Fiscal year 2002: $1,467,400,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1997: $232,400,000,000.
Fiscal year 1998: $223,600,000,000.
Fiscal year 1999: $206,300,000,000.
Fiscal year 2000: $185,700,000,000.
Fiscal year 2001: $143,500,000,000.
Fiscal year 2002: $108,300,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1997: $5,449,000,000,000.
Fiscal year 1998: $5,722,700,000,000.
Fiscal year 1999: $5,975,100,000,000.
Fiscal year 2000: $6,207,700,000,000.
Fiscal year 2001: $6,398,600,000,000.
Fiscal year 2002: $6,550,500,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1997: $41,400,000,000.
Fiscal year 1998: $36,400,000,000.
Fiscal year 1999: $36,600,000,000.
Fiscal year 2000: $36,500,000,000.
Fiscal year 2001: $36,600,000,000.
Fiscal year 2002: $36,600,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1997: $267,100,000,000.
Fiscal year 1998: $267,800,000,000.
Fiscal year 1999: $268,600,000,000.
Fiscal year 2000: $269,700,000,000.
Fiscal year 2001: $270,400,000,000.
Fiscal year 2002: $271,300,000,000.

SEC. 102. DEBT INCREASE.

The amounts of the increase in the public debt subject to limitation are as follows:

Fiscal year 1997: $290,000,000,000.
Fiscal year 1998: $277,400,000,000.
Fiscal year 1999: $256,000,000,000.
Fiscal year 2000: $236,100,000,000.
Fiscal year 2001: $193,300,000,000.
Fiscal year 2002: $155,400,000,000.

SEC. 103. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302, 602, and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1997: $384,900,000,000.
Fiscal year 1998: $401,900,000,000.
Fiscal year 1999: $422,800,000,000.
Fiscal year 2000: $444,200,000,000.
Fiscal year 2001: $463,900,000,000.
Fiscal year 2002: $485,700,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302, 602, and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1997: $310,400,000,000.
Fiscal year 1998: $323,000,000,000.
Fiscal year 1999: $335,900,000,000.
Fiscal year 2000: $349,300,000,000.
Fiscal year 2001: $363,900,000,000.
Fiscal year 2002: $378,800,000,000.

SEC. 104. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1997 through 2002 for each major functional category are:

(1) National Defense (050):

Fiscal year 1997:
(A) New budget authority, $265,600,000,000.
(B) Outlays, $263,700,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $800,000,000.

Fiscal year 1998:
(A) New budget authority, $267,100,000,000.
(B) Outlays, $262,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.

Fiscal year 1999:
(A) New budget authority, $269,500,000,000.
(B) Outlays, $265,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $192,000,000.

Fiscal year 2000:
(A) New budget authority, $271,800,000,000.
(B) Outlays, $268,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $187,000,000.

Fiscal year 2001:
(A) New budget authority, $274,200,000,000.
(B) Outlays, $267,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $185,000,000.

Fiscal year 2002:
(A) New budget authority, $276,900,000,000.
(B) Outlays, $267,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $183,000,000.

(2) International Affairs (150):

Fiscal year 1997:
(A) New budget authority, $14,200,000,000.
(B) Outlays, $14,900,000,000.
(C) New direct loan obligations, $4,333,000,000.
(D) New primary loan guarantee commitments, $18,110,000,000.

Fiscal year 1998:
(A) New budget authority, $12,700,000,000.
(B) Outlays, $13,600,000,000.
(C) New direct loan obligations, $4,342,000,000.
(D) New primary loan guarantee commitments, $18,262,000,000.

Fiscal year 1999:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $12,600,000,000.
(C) New direct loan obligations, $4,358,000,000.
(D) New primary loan guarantee commitments, $18,311,000,000.

Fiscal year 2000:
(A) New budget authority, $12,000,000,000.
(B) Outlays, $11,400,000,000.
(C) New direct loan obligations, $4,346,000,000.
(D) New primary loan guarantee commitments, $18,311,000,000.
Fiscal year 2001:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $4,395,000,000.
(D) New primary loan guarantee commitments, $18,409,000,000.
Fiscal year 2002:
(A) New budget authority, $12,700,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $4,387,000,000.
(D) New primary loan guarantee commitments, $18,409,000,000.
(3) General Science, Space, and Technology (250):
Fiscal year 1997:
(A) New budget authority, $16,700,000,000.
(B) Outlays, $16,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $16,100,000,000.
(B) Outlays, $16,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $15,700,000,000.
(B) Outlays, $15,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $15,400,000,000.
(B) Outlays, $15,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $15,500,000,000.
(B) Outlays, $15,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $15,500,000,000.
(B) Outlays, $15,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1997:
(A) New budget authority, $3,700,000,000.
(B) Outlays, $3,100,000,000.
(C) New direct loan obligations, $1,033,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $2,900,000,000.
(B) Outlays, $2,200,000,000.
(C) New direct loan obligations, $1,039,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $2,600,000,000.
(B) Outlays, $1,800,000,000.
(C) New direct loan obligations, $1,045,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $2,500,000,000.
(B) Outlays, $1,600,000,000.
(C) New direct loan obligations, $1,036,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $2,700,000,000.
(B) Outlays, $1,600,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $2,400,000,000.
(B) Outlays, $1,200,000,000.
(C) New direct loan obligations, $1,031,000,000.
(D) New primary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1997:
(A) New budget authority, $20,300,000,000.
(B) Outlays, $21,500,000.
(C) New direct loan obligations, $37,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $20,000,000,000.
(B) Outlays, $20,900,000,000.
(C) New direct loan obligations, $41,000,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $19,900,000,000.
(B) Outlays, $20,600,000,000.
(C) New direct loan obligations, $38,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $19,500,000,000.
(B) Outlays, $20,100,000,000.
(C) New direct loan obligations, $38,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $19,400,000,000.
(B) Outlays, $19,600,000,000.
(C) New direct loan obligations, $38,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $19,300,000,000.
(B) Outlays, $19,400,000,000.
(C) New direct loan obligations, $38,000,000.
(D) New primary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1997:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $11,000,000,000.
(C) New direct loan obligations, $7,794,000,000.
(D) New primary loan guarantee commitments, $5,870,000,000.
Fiscal year 1998:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $10,600,000,000.
(C) New direct loan obligations, $9,346,000,000.
(D) New primary loan guarantee commitments, $6,637,000,000.
Fiscal year 1999:
(A) New budget authority, $12,200,000,000.
(B) Outlays, $10,300,000,000.
(C) New direct loan obligations, $10,743,000,000.
(D) New primary loan guarantee commitments, $6,586,000,000.
Fiscal year 2000:
(A) New budget authority, $11,500,000,000.
(B) Outlays, $9,700,000,000.
(C) New direct loan obligations, $10,736,000,000.
(D) New primary loan guarantee commitments, $6,652,000,000.
Fiscal year 2001:
(A) New budget authority, $10,500,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $10,595,000,000.
(D) New primary loan guarantee commitments, $6,641,000,000.
Fiscal year 2002:
(A) New budget authority, $10,300,000,000.
(B) Outlays, $8,400,000,000.
(C) New direct loan obligations, $10,570,000,000.
(D) New primary loan guarantee commitments, $6,709,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1997:
(A) New budget authority, $8,100,000,000.
(B) Outlays, −$2,400,000,000.
(C) New direct loan obligations, $1,856,000,000.
(D) New primary loan guarantee commitments, $197,340,000,000.
Fiscal year 1998:
(A) New budget authority, $9,600,000,000.
(B) Outlays, $5,700,000,000.
(C) New direct loan obligations, $1,787,000,000.
(D) New primary loan guarantee commitments, $196,750,000,000.
Fiscal year 1999:
(A) New budget authority, $10,600,000,000.
(B) Outlays, $6,100,000,000.
(C) New direct loan obligations, $1,763,000,000.
(D) New primary loan guarantee commitments, $196,253,000,000.
Fiscal year 2000:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $7,500,000,000.
(C) New direct loan obligations, $1,759,000,000.
(D) New primary loan guarantee commitments, $195,883,000,000.
Fiscal year 2001:
(A) New budget authority, $11,400,000,000.
(B) Outlays, $7,400,000,000.
(C) New direct loan obligations, $1,745,000,000.
(D) New primary loan guarantee commitments, $195,375,000,000.
Fiscal year 2002:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $7,400,000,000.
(C) New direct loan obligations, $1,740,000,000.
(D) New primary loan guarantee commitments, $194,875,000,000.
(8) Transportation (400):
Fiscal year 1997:
(A) New budget authority, $42,600,000,000.
(B) Outlays, $39,300,000,000.
(C) New direct loan obligations, $15,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $43,300,000,000.
(B) Outlays, $37,000,000,000.
(C) New direct loan obligations, $15,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $43,800,000,000.
(B) Outlays, $35,600,000,000.
(C) New direct loan obligations, $15,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $43,500,000,000.
(B) Outlays, $34,100,000,000.
(C) New direct loan obligations, $15,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $43,700,000,000.
(B) Outlays, $33,700,000,000.
(C) New direct loan obligations, $15,000,000
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $44,000,000.
(B) Outlays, $33,200,000,000.
(C) New direct loan obligations, $15,000,000.
(D) New primary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1997:
(A) New budget authority, $9,900,000,000.
(B) Outlays, $10,800,000,000.
(C) New direct loan obligations, $1,222,000,000.
(D) New primary loan guarantee commitments, $2,133,000,000.
Fiscal year 1998:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $9,500,000,000.
(C) New direct loan obligations, $1,242,000,000.
(D) New primary loan guarantee commitments, $2,133,000,000.
Fiscal year 1999:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $8,600,000,000.
(C) New direct loan obligations, $1,265,000,000.

(D) New primary loan guarantee commitments, $2,171,000,000.
Fiscal year 2000:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $7,700,000,000.
(C) New direct loan obligations, $1,288,000,000.
(D) New primary loan guarantee commitments, $2,171,000,000.
Fiscal year 2001:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $7,200,000,000.
(C) New direct loan obligations, $1,317,000,000.
(D) New primary loan guarantee commitments, $2,202,000,000.
Fiscal year 2002:
(A) New budget authority, $6,600,000,000.
(B) Outlays, $6,700,000,000.
(C) New direct loan obligations, $1,343,000,000.
(D) New primary loan guarantee commitments, $2,202,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1997:
(A) New budget authority, $51,400,000,000.
(B) Outlays, $51,500,000,000.
(C) New direct loan obligations, $16,219,000,000.
(D) New primary loan guarantee commitments, $15,469,000,000.
Fiscal year 1998:
(A) New budget authority, $49,000,000,000.
(B) Outlays, $48,900,000,000.
(C) New direct loan obligations, $19,040,000,000.
(D) New primary loan guarantee commitments, $14,760,000,000.
Fiscal year 1999:
(A) New budget authority, $50,200,000,000.
(B) Outlays, $49,400,000,000.
(C) New direct loan obligations, $21,781,000,000.
(D) New primary loan guarantee commitments, $13,854,000,000.
Fiscal year 2000:
(A) New budget authority, $51,000,000,000.
(B) Outlays, $50,200,000,000.
(C) New direct loan obligations, $22,884,000,000.
(D) New primary loan guarantee commitments, $14,589,000,000.
Fiscal year 2001:
(A) New budget authority, $51,800,000,000.
(B) Outlays, $50,900,000,000.
(C) New direct loan obligations, $23,978,000,000.
(D) New primary loan guarantee commitments, $15,319,000,000.
Fiscal year 2002:
(A) New budget authority, $52,600,000,000.
(B) Outlays, $51,700,000,000.
(C) New direct loan obligations, $25,127,000,000.
(D) New primary loan guarantee commitments, $16,085,000,000.
(11) Health (550):
Fiscal year 1997:
(A) New budget authority, $131,400,000,000.
(B) Outlays, $132,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $187,000,000.
Fiscal year 1998:
(A) New budget authority, $137,400,000,000.
(B) Outlays, $137,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $94,000,000.
Fiscal year 1999:
(A) New budget authority, $144,000,000,000.
(B) Outlays, $144,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $152,800,000,000.
(B) Outlays, $152,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $160,300,000,000.
(B) Outlays, $159,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $167,200,000,000.
(B) Outlays, $166,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1997:
(A) New budget authority, $193,200,000,000.
(B) Outlays, $191,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $205,900,000,000.
(B) Outlays, $204,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $216,700,000,000.
(B) Outlays, $214,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $227,300,000,000.
(B) Outlays, $225,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $239,300,000,000.
(B) Outlays, $237,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $253,500,000,000.
(B) Outlays, $251,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1997:
(A) New budget authority, $232,400,000,000.
(B) Outlays, $240,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $241,900,000,000.
(B) Outlays, $245,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $246,500,000,000.
(B) Outlays, $253,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $264,600,000,000.
(B) Outlays, $264,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $264,100,000,000.
(B) Outlays, $268,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $282,800,000,000.
(B) Outlays, $281,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1997:
(A) New budget authority, $7,800,000,000.
(B) Outlays, $10,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $8,500,000,000.
(B) Outlays, $11,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,200,000,000.
(B) Outlays, $11,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $10,000,000,000.
(B) Outlays, $12,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $10,800,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $14,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1997:
(A) New budget authority, $39,000,000,000.
(B) Outlays, $39,500,000,000.
(C) New direct loan obligations, $935,000,000.
(D) New primary loan guarantee commitments, $26,362,000,000.
Fiscal year 1998:
(A) New budget authority, $38,600,000,000.
(B) Outlays, $39,300,000,000.
(C) New direct loan obligations, $962,000,000.
(D) New primary loan guarantee commitments, $25,925,000,000.
Fiscal year 1999:
(A) New budget authority, $38,700,000,000.
(B) Outlays, $39,300,000,000.
(C) New direct loan obligations, $987,000,000.
(D) New primary loan guarantee commitments, $25,426,000,000.
Fiscal year 2000:
(A) New budget authority, $38,700,000,000.
(B) Outlays, $40,400,000,000.
(C) New direct loan obligations, $1,021,000,000.
(D) New primary loan guarantee commitments, $24,883,000,000.
Fiscal year 2001:
(A) New budget authority, $38,800,000,000.
(B) Outlays, $37,700,000,000.
(C) New direct loan obligations, $1,189,000,000.
(D) New primary loan guarantee commitments, $24,298,000,000.
Fiscal year 2002:
(A) New budget authority, $39,000,000,000.
(B) Outlays, $39,300,000,000.
(C) New direct loan obligations, $1,194,000,000.
(D) New primary loan guarantee commitments, $23,668,000,000.
(16) Administration of Justice (750):
Fiscal year 1997:
(A) New budget authority, $21,700,000,000.
(B) Outlays, $20,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,300,000,000.
(B) Outlays, $21,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $23,300,000,000.
(B) Outlays, $22,400,000,000.

(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $23,300,000,000.
(B) Outlays, $23,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $19,900,000,000.
(B) Outlays, $19,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $19,900,000,000.
(B) Outlays, $19,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1997:
(A) New budget authority, $13,800,000,000.
(B) Outlays, $13,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $13,600,000,000.
(B) Outlays, $13,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $13,300,000,000.
(B) Outlays, $13,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $13,300,000,000.
(B) Outlays, $13,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $13,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1997:
(A) New budget authority, $282,800,000,000.
(B) Outlays, $282,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $289,400,000,000.
(B) Outlays, $289,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $293,200,000,000.
(B) Outlays, $293,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $294,700,000,000.
(B) Outlays, $294,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $298,900,000,000.
(B) Outlays, $298,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $303,400,000,000.
(B) Outlays, $303,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) The corresponding levels of gross interest on the public debt are as follows:
Fiscal year 1997: $348,234,000,000.
Fiscal year 1998: $351,240,000,000.
Fiscal year 1999: $348,465,000,000.
Fiscal year 2000: $349,951,000,000.
Fiscal year 2001: $351,311,000,000.
Fiscal year 2002: $352,756,000,000.
(20) Allowances (920):
Fiscal year 1997:
(A) New budget authority, −$1,600,000,000.
(B) Outlays, $800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$200,000,000.
(B) Outlays, $100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$400,000,000.
(B) Outlays, −$300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, −$800,000,000.
(B) Outlays, −$500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, −$1,200,000,000.
(B) Outlays, −$1,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, −$3,700,000,000.
(B) Outlays, −$3,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(21) Undistributed Offsetting Receipts (950):
Fiscal year 1997:
(A) New budget authority, −$43,700,000,000.
(B) Outlays, −$43,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$35,700,000,000.
(B) Outlays, −$35,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$34,900,000,000.
(B) Outlays, −$34,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, −$36,700,000,000.
(B) Outlays, −$36,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, −$38,500,000,000.
(B) Outlays, −$38,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, −$40,100,000,000.
(B) Outlays, −$40,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

SEC. 105. RECONCILIATION.

(a) FIRST RECONCILIATION OF SPENDING REDUCTIONS.—

(1) SENATE COMMITTEES.—Not later than June 14, 1996, the committees named in this subsection shall submit their recommendations to the Committee on the Budget of the Senate. After receiving those recommendations, the Committee on the Budget shall report to the Senate a reconciliation bill carrying out all such recommendations without any substantive revision.

(A) COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY.—The Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $1,994,000,000 in fiscal year 1997 and $29,376,000,000 for the period of fiscal years 1997 through 2002.

(B) COMMITTEE ON FINANCE.—The Senate Committee on Finance shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $95,402,000,000 for the period of fiscal years 1997 through 2002.

(b) FINAL RECONCILIATION OF SPENDING REDUCTIONS.—

(1) SENATE COMMITTEES.—If legislation is enacted pursuant to subsection (a), then no later than July 12, 1996, the committees named in this subsection shall submit their recommendations to the Committee on the Budget of the Senate. After receiving those recommendations, the Committee on the Budget shall report to the Senate a reconciliation bill carrying out all such recommendations without any substantive revision.

(A) COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY.—The Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $86,000,000,000 in fiscal year 1997 and $251,000,000,000 for the period of fiscal years 1997 through 2002.

(B) COMMITTEE ON ARMED SERVICES.—The Senate Committee on Armed Services shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $79,000,000,000 in fiscal year 1997 and $649,000,000,000 for the period of fiscal years 1997 through 2002.

(C) COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS.—The Senate Committee on Banking, Housing, and Urban Affairs shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $3,628,000,000 in fiscal year 1997 and $3,605,000,000 for the period of fiscal years 1997 through 2002.

(D) COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION.—The Senate Committee on Commerce, Science, and Transportation shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $0 in fiscal year 1997 and $19,396,000,000 for the period of fiscal years 1997 through 2002.

(E) COMMITTEE ON ENERGY AND NATURAL RESOURCES.—The Senate Committee on Energy and Natural Resources shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $84,000,000 in fiscal year 1997 and $1,433,000,000 for the period of fiscal years 1997 through 2002.

(F) COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS.—The Senate Committee on Environment

and Public Works shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $87,000,000 in fiscal year 1997 and $2,212,000,000 for the period of fiscal years 1997 through 2002.

(G) COMMITTEE ON FINANCE.—The Senate Committee on Finance shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $6,716,000,000 in fiscal year 1997 and $169,707,000,000 for the period of fiscal years 1997 through 2002.

(H) COMMITTEE ON GOVERNMENTAL AFFAIRS.—The Senate Committee on Governmental Affairs shall report changes in laws within its jurisdiction that reduce the deficit $955,000,000 in fiscal year 1997 and $8,789,000,000 for the period of fiscal years 1997 through 2002.

(I) COMMITTEE ON THE JUDICIARY.—The Senate Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $0 in fiscal year 1997 and $476,000,000 for the period of fiscal years 1997 through 2002.

(J) COMMITTEE ON LABOR AND HUMAN RESOURCES.—The Senate Committee on Labor and Human Resources shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $725,000,000 in fiscal year 1997 and $3,097,000,000 for the period of fiscal years 1997 through 2002.

(K) COMMITTEE ON VETERANS' AFFAIRS.—The Senate Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $175,000,000 in fiscal year 1997 and $5,198,000,000 for the period of fiscal years 1997 through 2002.

(c) RECONCILIATION OF REVENUE REDUCTIONS.—

(1) SENATE COMMITTEE.—If the legislation is enacted pursuant to subsections (a) and (b), then no later than September 18, 1996, the Committee on Finance shall report to the Senate a reconciliation bill proposing changes in laws within its jurisdiction necessary to reduce revenues by not more than $15,359,000,000 in fiscal year 2002 and $116,104,000,000 for the period of fiscal years 1997 through 2002 and reduce outlays $1,692,000,000 in fiscal year 1997 and $11,524,000,000 for the period of fiscal years 1997 through 2002.

(d) TREATMENT OF RECONCILIATION BILLS FOR PRIOR SURPLUS.—For purposes of section 202 of House Concurrent Resolution 67 (104th Congress), legislation which reduces revenues pursuant to a reconciliation instruction contained in subsection (c) shall be taken together with all other legislation enacted pursuant to the reconciliation instructions contained in this resolution when determining the deficit effect of such legislation.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

SEC. 201. DISCRETIONARY SPENDING LIMITS.

(a) DEFINITION.—As used in this section and for the purposes of allocations made pursuant to section 302(a) or 602(a) of the Congressional Budget Act of 1974, for the discretionary category, the term ''discretionary spending limit'' means—

(1) with respect to fiscal year 1997—

(A) for the defense category $266,362,000,000 in new budget authority and $264,568,000,000 in outlays; and

(B) for the nondefense category $227,845,000,000 in new budget authority and $270,923,000,000 in outlays;

(2) with respect to fiscal year 1998—

(A) for the defense category $267,831,000,000 in new budget authority and $262,962,000,000 in outlays; and

(B) for the nondefense category $221,322,000,000 in new budget authority and $258,698,000,000 in outlays;

(3) with respect to fiscal year 1999, for the discretionary category $493,221,000,000 in new budget authority and $525,742,000,000 in outlays;

(4) with respect to fiscal year 2000, for the discretionary category $500,037,000,000 in new budget authority and $525,071,000,000 in outlays;

(5) with respect to fiscal year 2001, for the discretionary category $492,468,000,000 in new budget authority and $517,708,000,000 in outlays; and

(6) with respect to fiscal year 2002, for the discretionary category $501,177,000,000 in new budget authority and $515,979,000,000 in outlays;

as adjusted for changes in concepts and definitions and emergency appropriations.

(b) POINT OF ORDER IN THE SENATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), it shall not be in order in the Senate to consider—

(A) a revision of this resolution or any concurrent resolution on the budget for fiscal year 1998 (or amendment, motion, or conference report on such a resolution) that provides discretionary spending in excess of the sum of the defense and nondefense discretionary spending limits for such fiscal year;

(B) any concurrent resolution on the budget for fiscal year 1999, 2000, 2001, or 2002 (or amendment, motion, or conference report on such a resolution) that provides discretionary spending in excess of the discretionary spending limit for such fiscal year; or

(C) any appropriations bill or resolution (or amendment, motion, or conference report on such appropriations bill or resolution) for fiscal year 1997, 1998, 1999, 2000, 2001, or 2002 that would exceed any of the discretionary spending limits in this section or suballocations of those limits made pursuant to section 602(b) of the Congressional Budget Act of 1974.

(2) EXCEPTION.—

(A) IN GENERAL.—This section shall not apply if a declaration of war by the Congress is in effect or if a joint resolution pursuant to section 258 of the Balanced Budget and Emergency Deficit Control Act of 1985 has been enacted.

(B) ENFORCEMENT OF DISCRETIONARY LIMITS IN FY 1997.—Until the enactment of reconciliation legislation pursuant to subsections (a) and (b) of section 105 of this resolution and for purposes of the application of paragraph (1), only subparagraph (C) of paragraph (1) shall apply to fiscal year 1997.

(c) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

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

(e) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, new entitlement authority, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

SEC. 202. TAX RESERVE FUND IN THE SENATE.

(a) IN GENERAL.—In the Senate, revenue and spending aggregates may be reduced and allocations may be revised for legislation that reduces revenues by providing family tax relief, fuel tax relief, and incentives to stimulate savings, investment, job creation, and economic growth if such legislation will not increase the deficit for—

(1) fiscal year 1997;

(2) the period of fiscal years 1997 through 2001; or

(3) the period of fiscal years 2002 through 2006.

(b) REVISED ALLOCATIONS.—Upon the consideration of legislation pursuant to subsection (a), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this resolution.

(c) REPORTING REVISED ALLOCATIONS.—The appropriate committee shall report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this section.

SEC. 203. SUPERFUND RESERVE FUND IN THE SENATE.

(a) IN GENERAL.—After the enactment of legislation that reforms the Superfund program and extends Superfund taxes, in the Senate, budget authority and outlays allocated to the Committee on Appropriations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974, the appropriate functional levels, the appropriate budget aggregates, and the discretionary spending limits in section 201 of this resolution may be revised to provide additional budget authority and the outlays flowing from that budget authority for the Superfund program, pursuant to this section.

(b) DEFICIT NEUTRAL ADJUSTMENTS.—

(1) ALLOCATIONS.—

(A) COMMITTEE ALLOCATIONS.—In the Senate, upon reporting of an appropriations measure, or when a conference committee submits a conference report thereon, that appropriates funds for the Superfund program in excess of $1,302,000,000, the chairman of the Committee on the Budget of the Senate may submit revised allocations, functional levels, budget aggregates, and discretionary spending limits to carry out this section that adds to such allocations, levels, aggregates, and limits an amount that is equal to such excess. These revised allocations, levels, aggregates, and limits shall be considered for the purposes of the Congressional Budget Act of 1974 as the allocations, levels, aggregates, and limits contained in this resolution.

(B) COMMITTEE SUBALLOCATIONS.—The Committee on Appropriations of the Senate may report appropriately revised suballocations pursuant to sections 302(b)(1) and 602(b)(1) of the Congressional Budget Act of 1974 following the revision of the allocations pursuant to subparagraph (A).

(2) LIMITATIONS.—The adjustments under this subsection shall not exceed—

(A) the net revenue increase for a fiscal year resulting from the enactment of legislation that extends Superfund taxes; and

(B) $898,000,000 in budget authority for a fiscal year and the outlays flowing from such budget authority in all fiscal years.

SEC. 204. SCORING OF EMERGENCY LEGISLATION.

Notwithstanding section 606(d)(2) of the Congressional Budget Act of 1974, the determinations under sections 302, 303, 311, and 602 of such Act shall take into account any new budget authority, new entitlement authority, outlays, receipts, or deficit effects as a consequence of the provisions of sections 251(b)(2)(D) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 205. EXERCISE OF RULEMAKING POWERS.

The Congress adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change those rules (so far as they relate to that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

TITLE III—SENSE OF THE CONGRESS, HOUSE OF REPRESENTATIVES, AND SENATE

SEC. 301. SENSE OF THE CONGRESS ON SALE OF GOVERNMENT ASSETS.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) the prohibition on scoring asset sales has discouraged the sale of assets that can be better managed by the private sector and generate receipts to reduce the Federal budget deficit;

(2) the President's fiscal year 1997 budget included $3,900,000,000 in receipts from asset sales and proposed a change in the asset sale scoring rule to allow the proceeds from these sales to be scored;

(3) assets should not be sold if such sale would increase the budget deficit over the long run; and

(4) the asset sale scoring prohibition should be repealed and consideration should be given to replacing it with a methodology that takes into account the long-term budgetary impact of asset sales.

(b) DEFINITIONS.—For purposes of this section, the term ''sale of an asset'' shall have the same meaning as under section 250(c)(21) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 302. SENSE OF THE CONGRESS THAT TAX REDUCTIONS SHOULD BENEFIT WORKING FAMILIES.

It is the sense of the Congress that this concurrent resolution on the budget assumes any reductions in taxes should be structured to benefit working families by providing family tax relief and incentives to stimulate savings, investment, job creation, and economic growth.

SEC. 303. SENSE OF THE CONGRESS ON A BIPARTISAN COMMISSION ON THE SOLVENCY OF MEDICARE.

(a) FINDINGS.—Congress finds that—

(1) the Trustees of medicare have concluded that ''the medicare program is clearly unsustainable in its present form'';

(2) the Trustees of medicare concluded in 1995 that ''the Hospital Insurance Trust Fund, which pays inpatient hospital expenses, will be able to pay benefits for only about 7 years and is severely out of financial balance in the long range'';

(3) preliminary data made available to the Congress indicate that the Hospital Trust Fund will go bankrupt in the year 2001, rather than the year 2002, as predicted last year;

(4) the Public Trustees of medicare have concluded that ''the Supplementary Medical Insurance Trust Fund shows a rate of growth of costs which is clearly unsustainable'';

(5) the Bipartisan Commission on Entitlement and Tax Reform concluded that, absent long-term changes in medicare, projected medicare outlays will increase from about 4 percent of the payroll tax base today to over 15 percent of the payroll tax base by the year 2030;

(6) the Bipartisan Commission on Entitlement and Tax Reform recommended, by a vote of 30 to 1, that spending and revenues available for medicare must be brought into long-term balance; and

(7) in the most recent Trustees' report, the Public Trustees of medicare ''strongly recommend that the crisis presented by the financial condition of the medicare trust funds be urgently addressed on a comprehensive basis, including a review of the program's financing methods, benefit provisions, and delivery mechanisms.''.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that in order to meet the aggregates and levels in this budget resolution—

(1) a special bipartisan commission should be established immediately to make recommendations concerning the most appropriate response to the short-term solvency and long-term sustainability issues facing the medicare program; and

(2) the commission should report to Congress its recommendations prior to the adoption of a concurrent budget resolution for fiscal year 1998 in order that the committees of jurisdiction may consider these recommendations in fashioning an appropriate congressional response.

SEC. 304. SENSE OF THE SENATE ON CONSIDERING A CHANGE IN THE MINIMUM WAGE IN THE SENATE.

It is the sense of the Senate that—

(1) proposals to increase the minimum wage have important economic and budgetary consequences, as there are about 3,600,000 workers at or below the minimum wage under current law, according to the Congressional Budget Office (''CBO'');

(2) S. 413, a bill to increase the minimum wage, would increase costs for State and local governments by $1,030,000,000 over the period 1996 to 2000, according to the CBO, and would, therefore, violate section 425(a)(2) of the Congressional Budget Act of 1974 regarding unfunded intergovernmental mandates;

(3) S. 413 would increase costs for the private sector by $12,300,000,000 over the period 1996 to 2000 and would reduce jobs by between 100,000 and 500,000, according to the CBO;

(4) increasing the minimum wage would have significant interactions with other Federal spending and tax programs, including welfare programs and the earned income credit;

(5) States have the authority to increase the minimum wage in their States, and, as of February 1996, 10 States, plus Puerto Rico and Washington, D.C., had minimum wages above the Federal minimum wage;

(6) although raising the minimum wage will increase incomes for some workers, it is a poorly targeted approach to helping poor and low-income families because—

(A) it will eliminate jobs for some minimum- and low-wage workers;

(B) 85 percent of workers in poor families are paid more than the minimum wage, and nearly 60 percent are paid more than $5.25 per hour, according to the CBO;

(C) most minimum wage workers are not poor, with some 70 percent in households with incomes above 150 percent of the poverty line, according to the CBO; and

(D) most minimum wage workers do not stay at the minimum wage very long, with two-thirds getting a pay raise within the first year, according to the CBO;

(7) the best approach to increasing wages and incomes for working families is to promote policies that enhance economic growth and job creation, such as increasing net national savings and investment by balancing the Federal budget and promoting private savings and investment through fundamental tax reform;

(8) legislation to change the minimum wage should be considered in the Senate in an orderly manner as part of the regular consideration of matters related to the budget and the economy and not as an unscheduled amendment to unrelated legislation;

(9) there are important issues which should be considered in the same legislation and in conjunction with proposals to raise the minimum wage, such as allowing for improvements in the workplace by enabling cooperative efforts between labor and management as provided for in S. 295, the Team Work for Employees and Management Act of 1995, and maintaining a training wage to minimize job loss for new entrants into the job market; and

(10) the Senate should schedule consideration of legislation that addresses in the same bill, as a single proposal, the minimum wage and the provisions of S. 295 no later than the month of June 1996.

SEC. 305. SENSE OF THE SENATE ON LONG-TERM PROJECTIONS IN BUDGET ESTIMATES.

It is the sense of the Senate that—

(1) the report accompanying a concurrent resolution on the budget should include an analysis, prepared after consultation with the Director of the Congressional Budget Office, of the concurrent resolution's impact on revenues and outlays for entitlements for the period of 30 fiscal years; and

(2) the President should include in his budget each year, an analysis of the budget's impact on revenues and outlays for entitlements for the period of 30 fiscal years, and that the President should also include generational accounting information each year in the President's budget.

SEC. 306. SENSE OF THE CONGRESS ON MEDICARE TRANSFERS.

(a) FINDINGS.—The Congress finds that—

(1) home health care provides a broad spectrum of health and social services to approximately 3,500,000 medicare beneficiaries in the comfort of their homes;

(2) the President has proposed reimbursing the first 100 home health care visits after a hospital stay through medicare part A and reimbursing all other visits through medicare part B, shifting responsibility for $55,000,000,000 of spending from the Hospital Insurance Trust Fund to the general revenues that pay for medicare part B;

(3) such a transfer does nothing to control medicare spending, and is merely a bookkeeping change which artificially extends the solvency of the Hospital Insurance Trust Fund;

(4) this transfer of funds camouflages the need to make changes in the medicare program to ensure the long-term solvency of the Hospital Insurance Trust Fund, which the Congressional Budget Office now states will become bankrupt in the year 2001, a year earlier than projected in the 1995 report by the Trustees of the Social Security and Medicare Trust Funds;

(5) Congress will be breaking a commitment to the American people if it does not act to ensure the solvency of the entire medicare program in both the short- and long-term;

(6) the President's proposal would force those in need of chronic care services to rely upon the availability of general revenues to provide financing for these services, making them more vulnerable to benefits changes than under current law; and

(7) according to the National Association of Home Care, shifting medicare home care payments from part A to part B would deemphasize the importance of home care by eliminating its status as part of the Hospital Insurance Trust Fund, thereby undermining access to the less costly form of care.

(b) SENSE OF CONGRESS.—It is the sense of Congress that in meeting the spending targets specified in the budget resolution, Congress should not accept the President's proposal to transfer spending from one part of medicare to another in its efforts to preserve, protect, and improve the medicare program.

SEC. 307. SENSE OF THE SENATE ON REPEAL OF THE GAS TAX.

(a) FINDINGS.—The Senate finds that—

(1) the President originally proposed a $72,000,000,000 energy excise tax (the so-called BTU tax) as part of the Omnibus Budget Reconciliation Act of 1993 (OBRA 93) which included a new tax on transportation fuels;

(2) in response to opposition in the Senate to the BTU tax, the President and the Congress adopted instead a new 4.3 cents per gallon transportation fuels tax as part of OBRA 93, which represented a 30 percent increase in the existing motor fuels tax;

(3) the OBRA 93 transportation fuels tax has cost American motorists an estimated $14,000,000,000 to $15,000,000,000 since it went into effect on October 1, 1993;

(4) the OBRA 93 transportation fuels tax is regressive, creating a larger financial impact on lower and middle income motorists than on upper income motorists;

(5) the OBRA 93 transportation fuels tax imposes a disproportionate burden on rural citizens who do not have access to public transportation services, and who must rely on their automobiles and drive long distances, to work, to shop, and to receive medical care;

(6) the average American faces a substantial tax burden, and the increase of this tax burden through the OBRA 93 transportation fuels tax represented and continues to represent an inappropriate and unwarranted means of reducing the Nation's budget deficit;

(7) retail gasoline prices in the United States have increased an average of 19 cents per gallon since the beginning of the year to the highest level since the Persian Gulf War, and the OBRA 93 transportation fuels tax exacerbates the impact of this price increase on consumers;

(8) continuation of the OBRA 93 transportation fuels tax will exacerbate the impact on consumers of any future gasoline price spikes that result from market conditions; and

(9) the fiscal year 1997 budget resolution will assume a net tax cut totaling $122,000,000,000 over six years, which exceeds the revenue impact of a repeal of the OBRA 93 transportation fuels tax, and will establish a reserve fund which may be used to provide other forms of tax relief, including relief from the OBRA 93 transportation fuels tax, on a deficit neutral basis.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the revenue levels and procedures in this resolution provide that—

(1) the Congress and the President should immediately approve legislation to repeal the 4.3 cents per gallon transportation fuels tax contained in the Omnibus Budget Reconciliation Act of 1993 through the end of 1996;

(2) the Congress and the President should approve, through the fiscal year 1997 budget process, legislation to permanently repeal the 4.3 cents per gallon transportation fuels tax contained in the Omnibus Budget Reconciliation Act of 1993; and

(3) the savings generated by the repeal of the 4.3 cents per gallon transportation fuels tax contained in OBRA 93 should be fully passed on to consumers.

SEC. 308. SENSE OF THE SENATE ON MEDICARE TRUSTEES REPORT.

(a) FINDINGS.—The Senate finds that—

(1) the Trustees of the Medicare Hospital Insurance (HI) Trust Fund serve as fiduciaries for one of the Federal Government's most important programs, and as fiduciaries provide critically important information each year to the Congress and the public on the financial status of the Medicare HI Fund;

(2) the Trustees are required to issue a report on the financial status of the medicare HI Trust Fund by April 1 of each year;

(3) the April 1995 Trustees Report stated that the Medicare HI Trust Fund would go bankrupt in the year 2002, but in 1995 the Congress and the President could not agree on a plan to extend the solvency of the medicare program;

(4) in 1996, the Congress and the public require timely information on the full and exact nature of medicare's financial condition in order to understand what actions must be taken to extend the solvency of the of the Medicare HI Trust Fund; and

(5) despite the April 1 deadline, the 1996 Medicare Trustees Report has not yet been issued, and each day of delay further jeopardizes Congress' ability to respond appropriately to forestall the program's bankruptcy.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this budget resolution assume that—

(1) the Medicare Trustees should discharge their fiduciary and statutory responsibilities and issue their 1996 report as soon as possible; and

(2) in light of the Trustees' delay thus far, the Chief Actuary of the Medicare Trust Fund should share with Congress immediately any preliminary information on the current financial status of the Trust Fund.

SEC. 309. SENSE OF THE CONGRESS REGARDING CHANGES IN THE MEDICARE PROGRAM.

(a) FINDINGS.—Congress finds that, in achieving the spending levels specified in this resolution—

(1) the public trustees of medicare have concluded that ''the medicare program is clearly unsustainable in its present form'';

(2) the President has said his goal is to keep the medicare hospital insurance trust fund solvent for more than a decade, but his budget transfers $55,000,000,000 of home health spending from medicare part A to medicare part B;

(3) the transfer of home health spending threatens the delivery of home health services to 3.5 million medicare beneficiaries;

(4) such a transfer increases the burden on general revenues, including income taxes paid by working Americans, by $55,000,000,000;

(5) such a transfer artificially inflates the solvency of the medicare hospital insurance trust fund, misleading the Congress, medicare beneficiaries, and working taxpayers;

(6) the Director of the Congressional Budget Office has certified that, without such a transfer, the President's budget extends the solvency of the hospital insurance trust fund for only one additional year; and

(7) without misleading transfers, the President's budget therefore fails to achieve his own stated goal for the medicare hospital insurance trust fund.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that, in achieving the spending levels specified in this resolution, the Congress assumes that the Congress would—

(1) keep the medicare hospital insurance trust fund solvent for more than a decade, as recommended by the President; and

(2) accept the President's proposed level of medicare part B savings of $44,100,000,000 over the period 1997 through 2002; but would

(3) reject the President's proposal to transfer home health spending from one part of medicare to another, which threatens the delivery of home health care services to 3.5 million medicare beneficiaries, artificially inflates the solvency of the medicare hospital insurance trust fund, and increases the burden on general revenues, including income taxes paid by working Americans, by $55,000,000,000.

SEC. 310. SENSE OF THE SENATE ON FUNDING TO ASSIST YOUTH AT RISK.

(a) FINDINGS.—The Senate finds that—

(1) there is an increasing prevalence of violence and drug use among this country's youth;

(2) recognizing the magnitude of this problem the Federal Government must continue to maximize efforts in addressing the increasing prevalence of violence and drug use among this country's youth, with necessary adherence to budget guidelines;

(3) the Federal Bureau of Investigation reports that between 1985 and 1994, juvenile arrests for violent crime increased by 75 percent nationwide;

(4) the United States Attorney General reports that 20 years ago, fewer than half our cities reported gang activity and now, a generation later, reasonable estimates indicate that there are more than 500,000 gang members in more than 16,000 gangs on the streets of our cities resulting in more than 580,000 gang-related crimes in 1993;

(5) the Justice Department's Office of Juvenile Justice and Delinquency Prevention reports that in 1994, law enforcement agencies made over 2,700,000 arrests of persons under age 18, with juveniles accounting for 19 percent of all violent crime arrests across the country;

(6) the Congressional Task Force on National Drug Policy recently set forth a series of recommendations for strengthening the criminal justice and law enforcement effort, including domestic prevention efforts reinforcing the idea that prevention begins at home;

(7) the Office of National Drug Control Policy reports that between 1991 and 1995, marijuana use among 8th, 10th, and 12th graders has increased and is continuing to spiral upward; and

(8) the Center for Substance Abuse Prevention reports that in 1993, substance abuse played a role in over 70 percent of rapes, over 60 percent of incidents of child abuse, and almost 60 percent of murders nationwide.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the functional totals underlying this concurrent resolution on the budget assume that—

(1) sufficient funding should be provided to programs which assist youth at risk to reduce illegal drug use and the incidence of youth crime and violence;

(2) priority should be given to determine ''what works'' through scientifically recognized, independent evaluations of existing programs to maximize the Federal investment; and

(3) efforts should be made to ensure coordination and eliminate duplication among federally supported at-risk youth programs.

SEC. 311. SENSE OF THE SENATE REGARDING THE USE OF BUDGETARY SAVINGS.

(a) FINDINGS.—The Senate finds that—

(1) in August of 1994, the Bipartisan Commission on Entitlement and Tax Reform issued an Interim Report to the President, which found that, ''To ensure that today's debt and spending commitments do not unfairly burden America's children, the Government must act now. A bipartisan coalition of Congress, led by the President, must resolve the long-term imbalance between the Government's entitlement promises and the funds it will have available to pay for them'';

(2) unless the Congress and the President act together in a bipartisan way, overall Federal spending is projected by the Commission to rise from the current level of slightly over 22 percent of the Gross Domestic Product of the United States (hereafter in this section referred as ''GDP'') to over 37 percent of GDP by the year 2030;

(3) the source of that growth is not domestic discretionary spending, which is approximately the same portion of GDP now as it was in 1969, the last time at which the Federal budget was in balance;

(4) mandatory spending was only 29.6 percent of the Federal budget in 1963, but is estimated to account for 72 percent of the Federal budget in the year 2003;

(5) social security, medicare and medicaid, together with interest on the national debt, are the largest sources of the growth of mandatory spending;

(6) ensuring the long-term future of the social security system is essential to protecting the retirement security of the American people;

(7) the Social Security Trust Fund is projected to begin spending more than it takes in by approximately the year 2013, with Federal budget deficits rising rapidly thereafter unless appropriate policy changes are made;

(8) ensuring the future of medicare and medicaid is essential to protecting access to high-quality health care for senior citizens and poor women and children;

(9) Federal health care expenses have been rising at double digit rates, and are projected to triple to 11 percent of GDP by the year 2030 unless appropriate policy changes are made; and

(10) due to demographic factors, Federal health care expenses are projected to double by the year 2030, even if health care cost inflation is restrained after 1999, so that costs for each person of a given age grow no faster than the economy.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that budget savings in the mandatory spending area should be used—

(1) to protect and enhance the retirement security of the American people by ensuring the long-term future of the social security system;

(2) to protect and enhance the health care security of senior citizens and poor Americans by ensuring the long-term future of medicare and medicaid; and

(3) to restore and maintain Federal budget discipline, to ensure that the level of private investment necessary for long-term economic growth and prosperity is available.

SEC. 312. SENSE OF THE SENATE REGARDING THE TRANSFER OF EXCESS GOVERNMENT COMPUTERS TO PUBLIC SCHOOLS.

(a) ASSUMPTIONS.—The figures contained in this resolution are based on the following assumptions:

(1) America's children must obtain the necessary skills and tools needed to succeed in the technologically advanced 21st century;

(2) Executive Order 12999 outlines the need to make modern computer technology an integral part of every classroom, provide teachers with the professional development they need to use new technologies effectively, connect classrooms to the National Information Infrastructure, and encourage the creation of excellent education software;

(3) many private corporations have donated educational software to schools, which are lacking the necessary computer hardware to utilize this equipment;

(4) current inventories of excess Federal Government computers are being conducted in each Federal agency; and

(5) there is no current communication being made between Federal agencies with this excess equipment and the schools in need of these computers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the functional totals and reconciliation instructions in this budget resolution assume that the General Services Administration should place a high priority on facilitating direct transfer of excess Federal Government computers to public schools and community-based educational organizations.

SEC. 313. SENSE OF THE SENATE ON FEDERAL RETREATS.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that all Federal agencies will refrain from using Federal funds for expenses incurred during training sessions or retreats off of Federal property, unless Federal property is not available.

SEC. 314. SENSE OF THE SENATE REGARDING THE ESSENTIAL AIR SERVICE PROGRAM OF THE DEPARTMENT OF TRANSPORTATION.

(a) FINDINGS.—The Senate finds that—

(1) the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code—

(A) provides essential airline access to isolated rural communities across the United States;

(B) is necessary for the economic growth and development of rural communities;

(C) connects small rural communities to the national air transportation system of the United States;

(D) is a critical component of the national transportation system of the United States; and

(E) provides air service to 108 communities in 30 States; and

(2) the National Commission to Ensure a Strong Competitive Airline Industry established under section 204 of the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992 recommended maintaining the essential air service program with a sufficient level of funding to continue to provide air service to small communities.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code, should receive a sufficient level of funding to continue to provide air service to small rural communities that qualify for assistance under the program.

SEC. 315. SENSE OF THE SENATE REGARDING EQUAL RETIREMENT SAVINGS FOR HOMEMAKERS.

(a) FINDINGS.—The Senate finds that the assumptions of this budget resolution take into account that—

(1) by teaching and feeding our children and caring for our elderly, American homemakers are an important, vital part of our society;

(2) homemakers retirement needs are the same as all Americans, and thus they need every opportunity to save and invest for retirement;

(3) because they are living on a single income, homemakers and their spouses often have less income for savings;

(4) individual retirement accounts are provided by the Congress in the Internal Revenue Code to assist Americans for retirement savings;

(5) currently, individual retirement accounts permit workers other than homemakers to make deductible contributions of $2,000 a year, but limit homemakers to deductible contributions of $250 a year;

(6) limiting homemakers individual retirement account contributions to an amount less than the contributions of other workers discriminates against homemakers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the revenue level assumed in this budget resolution provides for legislation to make individual retirement account deductible contribution limits for homemakers equal to the individual retirement account deductible contribution limits for all other American workers, and that the Congress and the President should immediately approve such legislation in the appropriate reconciliation vehicle.

SEC. 316. SENSE OF THE SENATE REGARDING THE NATIONAL INSTITUTE OF DRUG ABUSE.

(a) FINDINGS.—Congress finds the following:

(1) The National Institute on Drug Abuse (hereafter referred to in this section as ''NIDA'') a part of the National Institutes of Health (hereafter referred to in this section as ''NIH'') supports over 85 percent of the world's drug abuse research that has totally revolutionized our understanding of addiction.

(2) One of NIDA's most significant areas of research has been the identification of the neurobiological bases of all aspects of addiction, including craving.

(3) In 1993, NIDA announced that approval had been granted by the Food and Drug Administration of a new medication for the treatment of heroin and other opiate addiction which breaks the addict of daily drug-seeking behavior and allows for greater compliance because the patient does not need to report to a clinic each day to have the medication administered.

(4) Among NIDA's most remarkable accomplishments of the past year is the successful immunization of animals against the psycho-stimulant effects of cocaine.

(5) NIDA has also recently announced that it is making substantial progress that is critical in directing their efforts to identify potential anti-cocaine medications. For example, NIDA researchers have recently shown that activation in the brain of one type of dopamine receptor suppresses drug-seeking behavior and relapse, whereas activation of another, triggers drug-seeking behavior.

(6) NIDA's efforts to speed up research to stem the tide of drug addition is in the best interest of all Americans.

(7) State and local governments spend billions of dollars to incarcerate persons who commit drug related offenses.

(8) A 1992 National Report by the Bureau of Justice Statistics revealed that more than 3 out of 4 jail inmates reported drug use in their lifetime, more than 40 percent had used drugs in the month before their offense with 27 percent under the influence of drugs at the time of their offense. A significant number said they were trying to get money for drugs when they committed their crime.

(9) More than 60 percent of juveniles and young adults in State-operated juvenile institutions reported using drugs once a week or more for at least a month some time in the past, and almost 40 percent reported being under the influence of drugs at the time of their offense.

(10) This concurrent resolution proposes that budget authority for the NIH (including NIDA) be held constant at the fiscal year 1996 level of $11,950,000,000 through fiscal year 2002.

(11) At such appropriation level, it would be impossible for NIH and NIDA to maintain research momentum through research project grants.

(12) Level funding for NIH in fiscal year 1997 would reduce the number of competing research project grants by nearly 500, from 6,620 in fiscal year 1996 to approximately 6,120 competing research project grants, reducing NIH's ability to maintain research momentum and to explore new ideas in research.

(13) NIH is the world's preeminent research institution dedicated to the support of science inspired by and focused on the challenges of human illness and health.

(14) NIH programs are instrumental in improving the quality of life for Americans through improving health and reducing monetary and personal costs of illnesses.

(15) The discovery of an anti-addiction drug to block the craving of illicit addictive substances will benefit all of American society.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that amounts appropriated for the National Institutes of Health—

(1) for fiscal year 1997 should be increased by a minimum of $33,000,000;

(2) for fiscal year 1998 should be increased by a minimum of $67,000,000;

(3) for fiscal year 1999 should be increased by a minimum of $100,000,000;

(4) for fiscal year 2000 should be increased by a minimum of $100,000,000;

(5) for fiscal year 2001 should be increased by a minimum of $100,000,000; and

(6) for fiscal year 2002 should be increased by a minimum of $100,000,000;

above its fiscal year 1996 appropriation for additional research into an anti-addiction drug to block the craving of illicit addictive substances.

SEC. 317. SENSE OF THE SENATE REGARDING THE EXTENSION OF THE EMPLOYER EDUCATION ASSISTANCE EXCLUSION UNDER SECTION 127 OF THE INTERNAL REVENUE CODE OF 1986.

(a) FINDINGS.—The Senate finds that—

(1) since 1978, over 7,000,000 American workers have benefited from the employer education assistance exclusion under section 127 of the Internal Revenue Code of 1986 by being able to improve their education and acquire new skills without having to pay taxes on the benefit;

(2) American companies have benefited by improving the education and skills of their employees who in turn can contribute more to their company;

(3) the American economy becomes more globally competitive because an educated workforce is able to produce more and to adapt more rapidly to changing technologies;

(4) American companies are experiencing unprecedented global competition and the value and necessity of life-long education for their employees has increased;

(5) the employer education assistance exclusion was first enacted in 1978;

(6) the exclusion has been extended 7 previous times;

(7) the last extension expired December 31, 1994; and

(8) the exclusion has received broad bipartisan support.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the revenue level assumed in the Budget Resolution accommodate an extension of the employer education assistance exclusion under section 127 of the Internal Revenue Code of 1986 from January 1, 1995, through December 31, 1996.

SEC. 318. SENSE OF THE SENATE REGARDING THE ECONOMIC DEVELOPMENT ADMINISTRATION PLACING HIGH PRIORITY ON MAINTAINING FIELD-BASED ECONOMIC DEVELOPMENT REPRESENTATIVES.

(a) FINDINGS.—The Senate makes the following findings:

(1) The Economic Development Administration plays a crucial role in helping economically disadvantaged regions of the United States develop infrastructure that supports and promotes greater economic activity and growth, particularly in nonurban regions.

(2) The Economic Development Administration helps to promote industrial park development, business incubators, water and sewer system improvements, vocational and technical training facilities, tourism development strategies, technical assistance and capacity building for local governments, economic adjustment strategies, revolving loan funds, and other projects which the private sector has not generated or will not generate without some assistance from the Government through the Economic Development Administration.

(3) The Economic Development Administration maintains 6 regional offices which oversee staff that are designated field-based representatives of the Economic Development Administration, and these field-based representatives provide valuable expertise and counseling on economic planning and development to nonurban communities.

(4) The Economic Development Administration Regional Centers are located in the urban areas of Austin, Seattle, Denver, Atlanta, Philadelphia, and Chicago.

(5) Because of a 37-percent reduction in approved funding for salaries and expenses from fiscal year 1995, the Economic Development Administration has initiated staff reductions requiring the elimination of 8 field-based positions. The field-based economic development representative positions that are either being eliminated or not replaced after voluntary retirement and which currently interact with nonurban communities on economic development efforts cover the States of New Mexico, Arizona, Nevada, North Dakota, Oklahoma, Illinois, Indiana, Maine, Connecticut, Rhode Island, and North Carolina.

(6) These staff cutbacks will adversely affect States with very low per-capita personal income, including New Mexico which ranks 47th in the Nation in per-capita personal income, Oklahoma ranking 46th, North Dakota ranking 42nd, Arizona ranking 35th, Maine ranking 34th, and North Carolina ranking 33rd.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the functional totals and reconciliations instructions underlying this budget resolution assume that—

(1) it is regrettable that the Economic Development Administration has elected to reduce field-based economic development representatives who are fulfilling the Economic Development Administration's mission of interacting with and counseling nonurban communities in economically disadvantaged regions of the United States;

(2) the Economic Development Administration should take all necessary and appropriate actions to ensure that field-based economic development representation receives high priority; and

(3) the Economic Development Administration should reconsider the planned termination of field-based economic development representatives responsible for States that are economically disadvantaged, and that this reconsideration take place without delay.

SEC. 319. SENSE OF THE SENATE REGARDING REVENUE ASSUMPTIONS.

(a) FINDINGS.—The Congress finds the following:

(1) Corporations and individuals have clear responsibility to adhere to environmental laws. When they do not, and environmental damage results, the Federal and State governments may impose fines and penalties, and assess polluters for the cost of remediation.

(2) Assessment of these costs is important in the enforcement process. They appropriately penalize wrongdoing. They discourage future environmental damage. They ensure that taxpayers do not bear the financial brunt of cleaning up after damages done by polluters.

(3) In the case of the Exxon Valdez oil spill disaster in Prince William Sound, Alaska, for example, the corporate settlement with the Federal Government totaled $900,000,000.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that assumptions in this resolution assume an appropriate amount of revenues per year through legislation that will not allow deductions for fines and penalties arising from a failure to comply with Federal or State environmental or health protection laws.

SEC. 320. SENSE OF THE SENATE REGARDING DOMESTIC VIOLENCE.

The assumptions underlying functional totals and reconciliation instructions in this budget resolution include:

(1) FINDINGS.—The Senate finds that:

(A) Violence against women is the leading cause of physical injury to women. The Department of Justice estimates that over 1 million violent crimes against women are committed by domestic partners annually.

(B) Domestic violence dramatically affects the victim's ability to participate in the workforce. A University of Minnesota survey reported that one-quarter of battered women surveyed had lost a job partly because of being abused and that over half of these women had been harassed by their abuser at work.

(C) Domestic violence is often intensified as women seek to gain economic independence through attending school or job training programs. Batterers have been reported to prevent women from attending such programs or sabotage their efforts at self-improvement.

(D) Nationwide surveys of service providers prepared by the Taylor Institute of Chicago, Document, for the first time, the interrelationship between domestic violence and welfare by showing that between 50 percent and 80 percent of women in welfare to work programs are current or past victims of domestic violence.

(E) The American Psychological Association has reported that violence against women is usually witnessed by their children, who as a result can suffer severe psychological, cognitive and physical damage and some studies have found that children who witness violence in their homes have a greater propensity to commit violent acts in their homes and communities when they become adults.

(F) Over half of the women surveyed by the Taylor Institute stayed with their batterers because they lacked the resources to support themselves and their children. The surveys also found that the availability of economic support is a critical factor in women's ability to leave abusive situations that threaten themselves and their children.

(G) Proposals to restructure the welfare programs may impact the availability of the economic support and the safety net necessary to enable poor women to flee abuse without risking homelessness and starvation for their families.

(2) SENSE OF THE SENATE.—It is the sense of the Senate that:

(A) No welfare reform provision should be enacted by Congress unless and until Congress considers whether such welfare reform provisions would exacerbate violence against women and their children, further endanger women's lives, make it more difficult for women to escape domestic violence, or further punish women victimized by violence.

(B) Any welfare reform measure enacted by Congress should require that any welfare to work, education, or job placement programs implemented by the States address the impact of domestic violence on welfare recipients.

SEC. 321. SENSE OF SENATE REGARDING STUDENT LOANS

(a) FINDINGS.—The Senate finds that—

(1) over the last 60 years, education and advancements in knowledge have accounted for 37 percent of our nation's economic growth;

(2) a college degree significantly increases job stability, resulting in an unemployment rate among college graduates less than half that of those with high school diplomas;

(3) a person with a bachelor's degree will average 50–55 percent more in lifetime earnings than a person with a high school diploma;

(4) education is a key to providing alternatives to crime and violence, and is a cost-effective strategy for breaking cycles of poverty and moving welfare recipients to work;

(5) a highly educated populace is necessary to the effective functioning of democracy and to a growing economy, and the opportunity to gain a college education helps advance the American ideals of progress and social equality;

(6) a highly educated and flexible work force is an essential component of economic growth and competitiveness;

(7) for many families, Federal Student Aid Programs make the difference in the ability of students to attend college;

(8) in 1994, nearly 6 million postsecondary students received some kind of financial assistance to help them pay for the costs of schooling;

(9) since 1988, college costs have risen by 54 percent, and student borrowing has increased by 219 percent; and

(10) in fiscal year 1996, the Balanced Budget Act achieved savings without reducing student loan limits or increasing fees to students or parents.

(b) SENSE OF SENATE.—It is the sense of the Senate that the aggregates and functional levels included in this budget resolution assume that savings in student loans can be achieved without any program change that would increase costs to students and parents or decrease accessibility to student loans.

SEC. 322. SENSE OF THE SENATE REGARDING REDUCTION OF THE NATIONAL DEBT.

(a) The Senate finds that—

(1) S. Con. Res. 57 projects a public debt in fiscal year 1997 of $5,400,000,000,000;

(2) S. Con. Res. 57 projects that the public debt will be $6,500,000,000,000 in the fiscal year 2002 when the budget resolution projects a unified budget surplus; and

(3) this accumulated debt represents a significant financial burden that will require excessive taxation and lost economic opportunity for future generations of the United States.

(b) It is the sense of the Senate that any comprehensive legislation sent to the President that balances the budget by a certain date and that is agreed to by the Congress and the President shall also contain a strategy for reducing the national debt of the United States.

SEC. 323. SENSE OF THE SENATE REGARDING HUNGRY OR HOMELESS CHILDREN.

(a) It is the sense of the Senate that the assumptions in this budget resolution assume that Congress will not enact or adopt any legislation that would increase the number of children who are hungry or homeless.

(b) It is the sense of Congress that the assumptions in this budget resolution assume that in the event legislation enacted to comply with this resolution results in an increase in the number of hungry or homeless children by the end of fiscal year 1997, the Congress would revisit the provisions of said legislation which caused such increase and would, as soon as practicable thereafter, adopt legislation which would halt any continuation of such increase.

SEC. 324. SENSE OF THE SENATE ON LIHEAP.

(a) FINDINGS—The Senate finds that:

(1) Home energy assistance for working and low-income families with children, the elderly on fixed incomes, the disabled, and others who need such aid is a critical part of the social safety net in cold-weather areas during the winter, and a source of necessary cooling aid during the summer;

(2) LIHEAP is a highly targeted, cost-effective way to help millions of low-income Americans pay their home energy bills. More than two-thirds of LIHEAP-eligible households have annual incomes of less than $8,000, more than one-half have annual incomes below $6,000; and

(3) LIHEAP funding has been substantially reduced in recent years, and cannot sustain further spending cuts if the program is to remain a viable means of meeting the home heating and other energy-related needs of low-income families, especially those in cold-weather States.

(b) SENSE OF THE SENATE.—The assumptions underlying this budget resolution assume that it is the sense of the Senate that the funds made available for LIHEAP for fiscal year 1997 will be not less than the actual expenditures made for LIHEAP in fiscal year 1996.

SEC. 325. SENSE OF THE CONGRESS REGARDING ADDITIONAL CHARGES UNDER THE MEDICARE PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) senior citizens must spend more than 1 dollar in 5 of their limited incomes to purchase the health care they need;

(2) ⅔ of spending under the medicare program under title XVIII of the Social Security Act is for senior citizens with annual incomes of less than $15,000;

(3) senior citizens cannot afford physician fee mark-ups that are not covered under the medicare program or premium overcharges; and

(4) senior citizens enrolling in private insurance plans receiving medicare capitation payments are currently protected against excess charges by health providers and additional premium charges by the plan for services covered under the medicare program.

(b) SENSE OF THE CONGRESS.—It the sense of the Congress that any reconciliation bill considered during the second session of the 104th Congress should maintain the existing prohibitions against additional charges by providers under the medicare program under title XVIII of the Social Security Act (''balance billing''), and any premium surcharges for services covered under such program that are levied on senior citizens enrolled in private insurance plans in lieu of conventional medicare.

SEC. 326. SENSE OF THE CONGRESS REGARDING NURSING HOME STANDARDS.

(a) FINDINGS.—Congress finds that—

(1) prior to the enactment of subtitle C of title IV of the Omnibus Budget Reconciliation Act of 1987, deplorable conditions and shocking abuse of senior citizens and the disabled in nursing homes was widespread; and

(2) the enactment and implementation of such subtitle has brought major improvements in nursing home conditions and substantially reduced abuse of senior citizens.

(b) SENSE OF THE CONGRESS.—It the sense of the Congress that any reconciliation bill considered during the second session of the 104th Congress should not include any changes in Federal nursing home quality standards or the Federal enforcement of such standards.

SEC. 327. SENSE OF THE CONGRESS CONCERNING NURSING HOME CARE.

(a) FINDINGS.—Congress finds that—

(1) under current Federal law—

(A) protections are provided under the medicaid program under title XIX of the Social Security Act to prevent the impoverishment of spouses of nursing home residents;

(B) prohibitions exist under such program to prevent the charging of adult children of nursing home residents for the cost of the care of such residents;

(C) prohibitions exist under such program to prevent a State from placing a lien against the home of a nursing home resident, if that home was occupied by a spouse or dependent child; and

(D) prohibitions exist under such program to prevent a nursing home from charging amounts above the medicaid recognized charge for medicaid patients or requiring a commitment to make private payments prior to receiving medicaid coverage as a condition of admission; and

(2) family members of nursing home residents are generally unable to afford the high cost of nursing home care, which ranges between $30,000 and $60,000 a year.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that provisions of the medicaid program under title XIX of the Social Security Act that protect families of nursing home residents from experiencing financial ruin as the price of securing needed care for their loved ones should be retained, including—

(1) spousal impoverishment rules;

(2) prohibitions against charging adult children of nursing home patients for the cost of their care;

(3) prohibitions against liens on the homes of nursing home residents occupied by a spouse or dependent child; and

(4) prohibitions against nursing homes requiring private payments prior to medicaid coverage as a condition of admission or allowing charges in addition to medicaid payments for covered patients.

SEC. 328. SENSE OF THE CONGRESS REGARDING REQUIREMENTS THAT WELFARE RECEIPTS BE DRUG-FREE.

In recognition of the fact that American workers are required to be drug-free in the workplace, it is the sense of the Congress that this concurrent resolution on the budget assumes that the States may require welfare recipients to be drug-free as a condition for receiving such benefits and that random drug testing may be used to enforce such requirements.

SEC. 329. SENSE OF THE SENATE ON DAVIS–BACON.

Notwithstanding any provision of the committee report on this resolution, it is the sense of the Senate that the provisions in this resolution do not assume the repeal of the Davis-Bacon Act.

SEC. 330. SENSE OF THE SENATE ON DAVIS–BACON.

Notwithstanding any provision of the committee report on this resolution, it is the sense of the Senate that the provisions in this resolution assume reform of the Davis-Bacon Act.

SEC. 331. SENSE OF CONGRESS ON REIMBURSEMENT OF THE UNITED STATES FOR OPERATIONS SOUTHERN WATCH AND PROVIDE COMFORT.

(a) FINDINGS.—The Congress finds that—

(1) as of May 1996, the United States has spent $2,937,000,000 of United States taxpayer funds since the conclusion of the Gulf War in 1991 for the singular purpose of protecting the Kurdish and Shiite population from Iraqi aggression;

(2) the President's defense budget request for 1997 includes an additional $590,100,000 for Operations Southern Watch and Provide Comfort, both of which are designed to restrict Iraqi military aggression against the Kurdish and Shiite people of Iraq;

(3) costs for these military operations constitute part of the continued budget deficit of the United States; and

(4) United Nations Security Council Resolution 986 (1995) (referred to as ''SCR 986'') would allow Iraq to sell up to $1,000,000,000 in petroleum and petroleum products every 90 days, for an initial period of 180 days.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the assumptions underlying the functional totals in this resolution assume that—

(1) the President should instruct the United States Permanent Representative to the United Nations to ensure any subsequent extension of authority beyond the 180 days originally provided by SCR 986, specifically mandates and authorizes the reimbursement of the United States for costs associated with Operations Southern Watch and Provide Comfort out of revenues generated by any sale of petroleum or petroleum-related products originating from Iraq;

(2) in the event that the United States Permanent Representative to the United Nations fails to modify the terms of any subsequent resolution extending the authority granted by SCR 986 as called for in paragraph (1), the President should reject any United Nations' action or resolution seeking to extend the terms of the oil sale beyond the 180 days authorized by SCR 986;

(3) the President should take the necessary steps to ensure that—

(A) any effort by the United Nations to temporarily lift the trade embargo for humanitarian purposes, specifically the sale of petroleum or petroleum products, restricts all revenues from such sale from being diverted to benefit the Iraqi military; and

(B) the temporary lifting of the trade embargo does not encourage other countries to take steps to begin promoting commercial relations with the Iraqi military in expectation that sanctions will be permanently lifted; and

(4) revenues reimbursed to the United States from the oil sale authorized by SCR 986, or any subsequent action or resolution, should be used to reduce the Federal budget deficit.

SEC. 332. ACCURATE INDEX FOR INFLATION.

(a) FINDINGS.—The Senate finds that—

(1) a significant portion of Federal expenditures and revenues are indexed to measurements of inflation; and

(2) a variety of inflation indices exist which vary according to the accuracy with which such indices measure increases in the cost of living; and

(3) Federal Government usage of inflation indices which overstate true inflation has the demonstrated effect of accelerating Federal spending, increasing the Federal budget deficit, increasing Federal borrowing, and thereby enlarging the projected burden on future American taxpayers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying this budget resolution include that all Federal spending and revenues which are indexed for inflation should be calibrated by the most accurate inflation indices which are available to the Federal Government.

SEC. 333. SENSE OF THE SENATE ON SOLVENCY OF THE MEDICARE TRUST FUND.

(a) FINDINGS.—The Senate finds that repeal of certain provisions from the Omnibus Budget Reconciliation Act of 1993 would move the insolvency date of the HI (Medicare) Trust Fund forward by a full year.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that no provisions in this Budget Resolution should worsen the solvency of the Medicare Trust Fund.

SEC. 334. SENSE OF THE CONGRESS THAT THE 1993 INCOME TAX INCREASE ON SOCIAL SECURITY BENEFITS SHOULD BE REPEALED.

(a) FINDINGS.—Congress finds that the assumptions underlying this resolution include that—

(1) the fiscal year 1994 budget proposal of President Clinton to raise Federal income taxes on the Social Security benefits of senior citizens with income as low as $25,000, and those provisions of the fiscal year 1994 recommendations of the Budget Resolution and the 1993 Omnibus Budget Reconciliation Act in which the One Hundred Third Congress voted to raise Federal income taxes on the Social Security benefits of senior citizens with income as low as $34,000 should be repealed;

(2) the Senate Budget Resolution should reflect President Clinton's statement that he believed he raised Federal taxes too much in 1993; and

(3) the Budget Resolution should react to President Clinton's fiscal year 1997 budget which documents the fact that in the history of the United States, the total tax burden has never been greater than it is today, therefore

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the assumptions underlying this Resolution include—

(1) that raising Federal income taxes in 1993 on the Social Security benefits of middle-class individuals with income as low as $34,000 was a mistake;

(2) that the Federal income tax hike on Social Security benefits imposed in 1993 by the One Hundred Third Congress and signed into law by President Clinton should be repealed; and

(3) President Clinton should work with the Congress to repeal the 1993 Federal income tax hike on Social Security benefits in a manner that would not adversely affect the Social Security Trust Fund or the Medicare Part A Trust Fund, and should ensure that such repeal is coupled with offsetting reductions in Federal spending.

SEC. 335. SENSE OF THE SENATE REGARDING THE ADMINISTRATION'S PRACTICE REGARDING THE PROSECUTION OF DRUG SMUGGLERS.

(a) FINDINGS.—The Senate finds that—

(1) drug use is devastating to the Nation, particularly among juveniles, and has led juveniles to become involved in interstate gangs and to participate in violent crime;

(2) drug use has experienced a dramatic resurgence among our youth;

(3) the number of youths aged 12–17 using marijuana has increased from 1.6 million in 1992 to 2.9 million in 1994, and the category of ''recent marijuana use'' increased a staggering 200 percent among 14- to 15-year-olds over the same period;

(4) since 1992, there has been a 52 percent jump in the number of high school seniors using drugs on a monthly basis, even as worrisome declines are noted in peer disapproval of drug use;

(5) 1 in 3 high school students uses marijuana;

(6) 12- to 17-year-olds who use marijuana are 85 percent more likely to graduate to cocaine than those who abstain from marijuana;

(7) juveniles who reach 21 without ever having used drugs almost never try them later in life;

(8) the latest results from the Drug Abuse Warning Network show that marijuana-related episodes jumped 39 percent and are running at 155 percent above the 1990 level, and that methamphetamine cases have risen 256 percent over the 1991 level;

(9) between February 1993 and February 1995 the retail price of a gram of cocaine fell from $172 to $137, and that of a gram of heroin also fell from $2,032 to $1,278;

(10) it has been reported that the Department of Justice, through the United States Attorney for the Southern District of California, has adopted a policy of allowing certain foreign drug smugglers to avoid prosecution altogether by being released to Mexico;

(11) it has been reported that in the past year approximately 2,300 suspected narcotics traffickers were taken into custody for bringing illegal drugs across the border, but approximately one in four were returned to their country of origin without being prosecuted;

(12) it has been reported that the United States Customs Service is operating under guidelines limiting any prosecution in marijuana cases to cases involving 125 pounds of marijuana or more;

(13) it has been reported that suspects possessing as much as 32 pounds of methamphetamine and 37,000 Quaalude tablets, were not prosecuted but were, instead, allowed to return to their countries of origin after their drugs and vehicles were confiscated;

(14) it has been reported that after a seizure of 158 pounds of cocaine, one defendant was cited and released because there was no room at the Federal jail and charges against here were dropped;

(15) it has been reported that some smugglers have been caught two or more times—even in the same week—yet still were not prosecuted;

(16) the number of defendants prosecuted for violations of the Federal drug laws has dropped from 25,033 in 1992 to 22,926 in 1995;

(17) this Congress has increased the funding of the Federal Bureau of Prisons by 11.7 percent over the 1995 appropriations level; and

(18) this Congress has increased the funding of the Immigration and Naturalization Service by 23.5 percent over the 1995 appropriations level.

(b) SENSE OF SENATE.—It is the sense of the Senate that—(1) the functional totals underlying this resolution assume that the Attorney General promptly should investigate this matter and report, within 30 days, to the Chair of the Senate and House Committees on the Judiciary; and

(2) the Attorney General should ensure that cases involving the smuggling of drugs into the United States are vigorously prosecuted.

SEC. 336. CORPORATE SUBSIDIES AND SALE OF GOVERNMENT ASSETS.

(a) CORPORATE SUBSIDIES.—It is the sense of the Senate that the functional levels and aggregates in this budget resolution assume that—

(1) the Federal budget contains tens of billions of dollars in payments, benefits and programs that primarily assist profit-making enterprises and industries rather than provide a clear and compelling public interest;

(2) corporate subsidies can provide unfair competitive advantages to certain industries and industry segments;

(3) at a time when millions of Americans are being asked to sacrifice in order to balance the budget, the corporate sector should bear its share of the burden; and

(4) Federal payments, benefits, and programs which predominantly benefit a particular industry or segment of an industry, rather than provide a clear and compelling public benefit, should be reformed or terminated in order to provide additional tax relief, deficit reduction, or to achieve the savings necessary to meet this resolution's instructions and levels.

(b) SALE OF GOVERNMENT ASSETS.—

(1) BUDGETARY TREATMENT.—

(A) IN GENERAL.—For the purposes of any concurrent resolution on the budget and the Congressional Budget Act of 1974, no amounts realized from the sale of an asset shall be scored with respect to the level of budget authority, outlays, or revenues if such sale would cause an increase in the deficit as calculated pursuant to subparagraph (B).

(B) CALCULATION OF NET PRESENT VALUE.—The deficit estimate of an asset sale shall be the net present value of the cash flow from—

(i) proceeds from the asset sale;

(ii) future receipts that would be expected from continued ownership of the asset by the Government; and

(iii) expected future spending by the Government at a level necessary to continue to operate and maintain the asset to generate the receipts estimated pursuant to clause (ii).

(2) DEFINITIONS.—For purposes of this section, the term ''sale of an asset'' shall have the same meaning as under section 250(c)(21) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(3) TREATMENT OF LOAN ASSETS.—For the purposes of this subsection, the sale of loan assets or the prepayment of a loan shall be governed by the terms of the Federal Credit Reform Act of 1990.

SEC. 337. SENSE OF THE SENATE ON THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that when the Finance Committee meets its outlay and revenue obligations under this resolution the committee should not make any changes in the Presidential Election Campaign Fund or its funding mechanism and should meet its revenue and outlay targets through other programs within its jurisdiction.

SEC. 338. SENSE OF THE SENATE REGARDING WELFARE REFORM.

(a) The Senate finds that—

(1) S. Con. Res. 57 assumes substantial savings from welfare reform; and

(2) children born out of wedlock are five times more likely to be poor and about ten times more likely to be extremely poor and therefore are more likely to receive welfare benefits than children from two parent families; and

(3) high rates of out-of-wedlock births are associated with a host of other social pathologies; for example, children of single mothers are twice as likely to drop out of high school; boys whose fathers are absent are more likely to engage in criminal activities; and girls in single-parent families are three times more likely to have children out of wedlock themselves; therefore

(b) It is the sense of the Senate that any comprehensive legislation sent to the President that balances the budget by a certain date and that includes welfare reform provisions and that is agreed to by the Congress and the President shall also contain to the maximum extent possible a strategy for reducing the rate of out-of-wedlock births and encouraging family formation.

SEC. 339. A RESOLUTION REGARDING THE SENATE'S SUPPORT FOR FEDERAL, STATE, AND LOCAL LAW ENFORCEMENT.

(a) FINDINGS.—The Senate finds that—

(1) our Federal, State, and local law enforcement officers provide essential services that preserve and protect our freedoms and security;

(2) law enforcement officers deserve our appreciation and support;

(3) law enforcement officers and agencies are under increasing attacks, both to their physical safety and to their reputations;

(4) Federal, State, and local law enforcement efforts need increased financial commitment from the Federal Government for funding and financial assistance and not the slashing of our commitment to law enforcement if they are to carry out their efforts to combat violent crime;

(5) the President's fiscal year 1996 budget requested an increase of 14.8 percent for the Federal Bureau of Investigation, 10 percent for United States Attorneys, and $4,000,000 for Organized Crime Drug Enforcement Task Forces; while this Congress has increased funding for the Federal Bureau of Investigation by 10.8 percent, 8.4 percent for United States Attorneys, and a cut of $15,000,000 for Organized Crime Drug Enforcement Task Forces;

(6) on May 16, 1996, the House of Representatives has nonetheless voted to slash $300,000,000 from the President's $5,000,000,000 budget request for the Violent Crime Reduction Trust Fund for fiscal year 1997 in House Concurrent Resolution 178; and

(7) the Violent Crime Reduction Trust Fund as adopted by the Violent Crime Control and Law Enforcement Act of 1994 fully funds the Violent Crime Control and Law Enforcement Act of 1994 without adding to the Federal budget deficit.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions and the functional totals underlying this resolution assume the Federal Government's commitment to fund Federal law enforcement programs and programs to assist State and local efforts shall be maintained and funding for the Violent Crime Reduction Trust Fund shall not be cut as the resolution adopted by the House of Representatives would require.

SEC. 340. SENSE OF THE SENATE REGARDING THE FUNDING OF AMTRAK.

(a) FINDINGS.—The Senate finds that—

(1) a capital funding stream is essential to the ability of the National Rail Passenger Corporation (''Amtrak'') to reduce its dependence on Federal operating support; and

(2) Amtrak needs a secure source of financing, no less favorable than provided to other modes of transportation, for capital improvements.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) revenues attributable to one-half cent per gallon of the excise taxes imposed on gasoline, special motor fuel, and diesel fuel from the Mass Transit Account should be dedicated to a new Intercity Passenger Rail Trust Fund during the period January 1, 1997, through September 30, 2001;

(2) revenues would not be deposited in the Intercity Passenger Rail Trust Fund during any fiscal year to the extent that the deposit is estimated to result in available revenues in the Mass Transit Account being insufficient to satisfy that year's estimated appropriation levels;

(3) monies in the Intercity Passenger Rail Trust Fund should be generally available to fund, on a reimbursement basis, capital expenditures incurred by Amtrak; and

(4) amounts to fund capital expenditures related to rail operations should be set aside for each State that has not had Amtrak service in such State for the preceding year.

SEC. 341. SENSE OF THE SENATE—TRUTH IN BUDGETING.

It is the sense of the Senate that:

(1) The Congressional Budget Office has scored revenue expected to be raised from the auction of Federal Communications Commission licenses for various services;

(2) For budget scoring purposes, the Congress has assumed that such auctions would occur in a prompt and expeditious manner and that revenue raised by such auctions would flow to the Federal treasury;

(3) The Resolution assumes that the revenue to be raised from auctions totals billions of dollars;

(4) The Resolution makes assumptions that services would be auctioned where the Federal Communications Commission has not yet conducted auctions for such services, such as Local Multipoint Distribution Service (LMDS), licenses for paging services, final broadband PCS licenses, narrow band PCS licenses, licenses for unserved cellular, and Digital Audio Radio (DARS), and other subscription services, revenue from which has been assumed in Congressional budgetary calculations and in determining the level of the deficit; and

(5) The Commission's service rules can dramatically affect license values and auction revenues and therefore the Commission should act expeditiously and without further delay to conduct auctions of licenses in a manner that maximizes revenue, increases efficiency, and enhances competition for any service for which auction revenues have been scored by the Congressional Budget Office and/or counted for budgetary purposes in an Act of Congress.

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

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

The motion to lay on the table was agreed to.

The Presiding Officer appointed Mr. DOMENICI, Mr. GRASSLEY, Mr. NICKLES, Mr. GRAMM of Texas, Mr. BOND, Mr. GORTON, Mr. EXON, Mr. HOLLINGS, Mr. JOHNSTON, and Mr. LAUTENBERG.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Senate Concurrent Resolution 57, the Senate budget resolution, be put back on the calendar.

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

Mr. DOMENICI. Mr. President, it is getting late and I normally have a lot of wrap-up but I will not do that tonight. I believe it is imperative that I express my deep appreciation to my friend, the ranking member, the Senator from Nebraska, Senator EXON. This is the last resolution after 16 years of service in the Senate and his State of Nebraska.

I am not sure that he would cherish being part of six or eight more budgets, the way this one has gone. It has taken a long time and has taken a big toll on us. I just thank him for everything he has done and for his help during the last 4, 5 days. I thank all my fellow Senators on the Budget Committee. They were a great help, great guides, and their suggestions permitted us to maneuver our way through all of the problems and get this important resolution adopted.

Mr. President, let me first express my deep appreciation to my friend and ranking member Senator EXON. This will be his last budget resolution after 16 years of distinguished service to the U.S. Senate and his beloved State of Nebraska.

I would also like to thank my fellow Senators on the Budget Committee for their help, guidance, and suggestions this last week as we maneuvered our way through this important resolution. Particular thanks to Senators GORTON and ABRAHAM for their help here on the floor.

Mr. President, I would also like to take a moment to thank the staff on both sides of the aisle. Bill Dauster and his staff have done an excellent job for that side of the aisle. In light of the increasingly partisan nature of the budget, I am always impressed by the working relationship between our staffs. We spent nearly the entire 50 hours and a full 7 days on this budget resolution. We will have considered nearly 100 amendments on myriad of topics. I want to thank the staff for the long hours and hard work that went into this budget resolution. I also want to thank the Republican floor staff and the cloakroom staff. Their assistance gets us through this difficult process. Each of the Budget Committee staff deserves a great deal of credit for the success of this budget resolution.

I want to publicly express my appreciation to my staff director and his two assistants here on the floor this last week, Austin Smythe and Beth Felder. There are other staff behind the scenes that have worked tirelessly to bring this resolution about. Instead of thanking each of my Budget Committee staff individually, I ask unanimous consent that a list of the names of the majority staff be printed in the RECORD.

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

MAJORITY STAFF

Brian Benczkowski; Jim Capretta; Amy Call; Lisa Cieplak; Christy Dunn; Beth Felder; Alice Grant; Jim Hearn; Keith Hennessey; William Hoagland; Carol McQuire; Anne Miller; Mieko Nakabayashi; and Denise G. Ramonas.

Cheri Reidy; Ricardo Rel; Karen Ricoy; J. Brian Riley; Mike Ruffner; Melissa Sampson; Anrea Shank; Amy Smith; Austin Smythe; Bob Stevenson; Beth Wallis; and Winslow Wheeler.

ADMINISTRATIVE STAFF

Diane Bath; Victor Block; Alex Greene; Deena McMullen; Lynne Seymour; and George Woodall.

Mr. EXON. Mr. President, before my friend, the chairman of the committee, leaves, I want to thank him for his kind remarks. Yes, this is my last budget resolution forever. Sometimes I wonder if the chairman of the committee might like to say the same without giving up the leadership of the organization. But it has been a pleasure for 18 years to work with PETE DOMENICI.

As I said the other day, we do not always agree, but we have always been agreeable with each other as we have debated the issues. I thank him for all of his courtesies when we were in the majority and now that he is in the majority. I appreciate it very much. I wish him well.

Mr. President, I want to take the time to thank the Democratic staff of the Senate Budget Committee for the outstanding job they did during consideration of the budget resolution. I would like to extend the appreciation of our side to:

Amy Abraham who is our senior analyst on education and discretionary health;

Ken Colling who is our analyst on justice and general government;

Tony Dresden who is our communications director;

Jodi Grant who is our general counsel;

Matt Greenwald who is our senior analyst on energy, environment, and science & technology;

Joan Huffer who is also a senior analyst covering Medicaid, Social Security and income security issues;

Phil Karsting who is the senior analyst for agriculture and community and regional development;

Jim Klumpner who is our chief economist;

Soo Jin Kwon who is our analyst on commerce, transportation and banking;

Nell Mays who is the committee's staff assistant;

Sue Nelson who is both our director of budget review and senior analyst on Medicare;

Jon Rosenwasser who is our analyst on defense and international affairs;

Jerry Slominski who is our deputy chief of staff and senior analyst on revenues; and

Bill Dauster who is the Democratic staff director and chief counsel for the Budget Committee.

Thanks to all of them and those who work with them for a job very well done. Without you, it would have been impossible to carry on as we have, to uphold what we think are the good points and the bad points of this particular budget.

With that, Mr. President, I yield the floor.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I will be very brief. First, I want to express my deep appreciation to our esteemed leader of the Budget Committee, Senator DOMENICI of New Mexico, for doing an outstanding job. My appreciation also goes to Senator EXON for his steadfastness and to the members of the staff, who have done a remarkable job. It has been a pleasure and a real treat to work with them. It has been an extremely difficult measure, but they did it very well.

MORNING BUSINESS

Mr. DOMENICI. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein for up to 5 minutes each.

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

U.S./GERMAN OPEN SKIES AGREEMENT

Mr. PRESSLER. Mr. President, a truly historic moment occurred in Milwaukee today when the United States and the Federal Republic of Germany formally signed an open skies agreement which will liberalize air service between our two countries. To underscore the importance of this agreement, I was pleased both President Clinton and Chancellor KOHL were on hand to sign it.

As I have said before, the U.S./German open skies agreement is a great economic victory for both countries and a very welcome development for consumers. Under the agreement, airlines of both countries will be free to operate to any points in either country, as well as third countries, without limitation. It also liberalizes pricing, charter services and further liberalizes the open skies cargo regime already in place. In short, it allows market demand, not the heavy hands of governments, to decide air service between the United States and Germany.

In addition to direct benefits, I have long said such an agreement would serve as a catalyst for liberalizing air service markets throughout Europe. Recent news reports indicate the competitive impact of the U.S./German open skies agreement is already being felt. For instance, since last October the British government, which is highly protective of the restrictive U.S./U.K. bilateral aviation agreement, expressed no willingness to seek to improve air service opportunities between the United States and the United Kingdom. This week, however, British negotiators came to Washington whistling a very different tune.

The competitive impact of the U.S./German open skies agreement also is being felt in U.S./France aviation relations. Since the French renounced our bilateral aviation agreement in 1992, the French government had shown no interest in negotiating a new air service agreement with the United States. Like the British, the French too are whistling a different tune as a result of the U.S./German open skies agreement.

I welcome reports the Government of France finally has expressed an interest in discussing a liberal bilateral aviation agreement. No doubt this abrupt change in course is due to the competitive reality that France is now virtually surrounded by countries enjoying open skies agreements with the United States. Like a huge magnet, these countries with open skies regimes are drawing passenger traffic away from French airports.

For instance, last year combined traffic at the two major Paris airports, Orly and Charles de Gaulle, fell nearly 1 percent. What makes this statistic remarkable is elsewhere in Europe—particularly in countries with open skies relations with the United States—passenger traffic growth has been robust at major airports. For instance, passenger traffic rose 8.7 percent at Frankfurt Main Airport, 7.6 percent at Amsterdam Schiphol Airport, and 11 percent at Brussels Zaventem Airport.

Clearly, the French realize the U.S./German open skies agreement is only going to make the problem of passenger traffic diversion much worse. As I have said repeatedly, competition will be our best ally in opening the remaining restrictive air service markets in Europe. At great cost to its economy, the French are learning this lesson firsthand.

Mr. President, I commend to my colleagues an article describing the competitive impact of the U.S./German open skies agreement which appeared today in the Aviation Daily. I ask unanimous consent that a copy of that article be printed in the RECORD at the conclusion of my remarks.

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

Mr. PRESSLER. Let me conclude by saying the U.S./German open skies agreement is unquestionably our most important liberalized air service agreement to date. I again praise the bold and steadfast leadership of Secretary of Transportation Federico Pena and German Transport Minister Matthias Wissmann in securing this agreement. Both the United States and Germany will benefit greatly from their leadership which turned an excellent opportunity into a truly historic trade agreement between our two countries.

EXHIBIT 1

[From Aviation Daily, May 23, 1996]

NEW CARRIER ALLIANCES FUEL HOPES FOR U.S.-U.K., EUROPE OPEN SKIES

The emergence of powerful, antitrust-immunized alliances and increasingly open aviation regimes in fueling expectations of breakthroughs in U.S.-U.K. and U.S.-European Union relations. In a Senate floor speech Tuesday, Commerce Committee Chairman Larry Pressler (R–S.D.) said ''a truly historic opportunity may be at hand to finally force the British to join us on the field of free and fair air service competition.'' The chief catalyst for this opportunity is the potential alliance between American and British Airways. With published reports saying BA and American are close to announcing ''a major business alliance,'' British officials ''came to Washington [Monday] to assess the price tag for the regulatory relief the new alliance would require,'' said Pressler. ''I am pleased initial reports indicate [DOT] reaffirmed its long-standing position: Nothing short of full liberalization of the U.S./U.K. air service market would be acceptable,'' he said. ''If the administration stands firm, as I believe it must, the current restrictive U.S.–U.K. bilateral aviation agreement will be cast into the great trash heap of protectionist trade policy, where it belongs.''

Pressler traced the potential for a U.K. breakthrough to the U.S.-Germany open skies agreement, struck early this year. ''Simply put, the possible British Airways/American Airlines alliance is a competitive response to the U.S./Germany open skies agreement and the grant of antitrust immunity to the United Airlines/Lufthansa alliance,'' he said. Pressler was active in developing the U.S.-Germany pact, a point underscored on the Senate floor by Sen. Trent Lott (R–Miss.), who said Pressler's ''steadfast leadership was instrumental in securing'' the open skies agreement. Lott made public letters from DOT Secretary Federico Peña, who praised Pressler's ''bipartisan leadership role'' on the issue, and German Transport Minister Matthias Wissmann, who called Pressler ''a cornerstone in this development.''

In his speech, Pressler said, ''If the Delta alliance with three smaller European carriers is granted a final antitrust immunity order later this month, that alliance—in combination with the United and Northwest alliances—will mean nearly 50% of the passenger traffic between the United States and Europe will be carried on fully integrated alliances.'' This will leave BA ''with no choice but to respond. It now appears to be doing so by seeking to ally itself with the strongest U.S. carrier available and ultimately, to seek antitrust [immunity] for its new alliance.'' The price tag for the regulatory relief for such an alliance ''must be nothing less than immediate open skies,'' said Pressler.

Industry observers are looking toward next week's European Transport Ministers Conference and a meeting of the European Union Council of Ministers in mid-June for possible progress in EU–U.S. aviation relations. Delta Chairman, President and Chief Executive Ronald Allen urged the EU to move ''boldly and swiftly'' toward an open skies relationship with the U.S. as ''the next necessary step forward for world aviation. It is important that we take the step soon.'' In a speech yesterday before the European Aviation Club in Brussels, Allen praised EU Transport Commissioner Neil Kinnock's proposal that the European Commission be given a mandate to negotiate EU-wide open skies with the U.S. ''He is trying to open the door to meaningful transatlantic competition and integration,'' Allen said. Some observers believe Kinnock will gain at least limited authority at the Council of Ministers Meeting.

Allen said Delta backed a number of proposals that may help the talks, including an increase in permissible foreign ownership of U.S. carriers from 25% to 49%. He said the carrier will work for changes in U.S. bankruptcy laws that allow airlines to continue operating while avoiding financial responsibilities, but the EU must also change its policy allowing state subsidies for troubled carriers. ''Both these assistance measures distort marketplace competition and penalize carriers that have made the difficult choices necessary to make their companies competitive and financially sound,'' said Allen. He added that the EU also must resist moves to hamper competition through ''safety net'' regulations.

NOTICE OF PROPOSED RULEMAKING

Mr. THURMOND. Mr. President, pursuant to Section 304(b) of the Congressional Accountability Act of 1995 (2 U.S.C. sec. 1384(b)), a Notice of Proposed Rulemaking was submitted by the Office of Compliance, U.S. Congress. The notice relates to Federal Service Labor-Management Relations (Regulations under section 220(e) of the Congressional Accountability Act.)

Section 304(b) requires this notice to be printed in the CONGRESSIONAL RECORD, therefore I ask unanimous consent that the notice be printed in the RECORD.

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

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS, PROTECTIONS AND RESPONSIBILITIES UNDER CHAPTER 71 OF TITLE 5, UNITED STATES CODE, RELATING TO FEDERAL SERVICE LABOR-MANAGEMENT RELATIONS (REGULATIONS UNDER SECTION 220(e) OF THE CONGRESSIONAL ACCOUNTABILITY ACT)

NOTICE OF PROPOSED RULEMAKING

Summary: The Board of Directors of the Office of Compliance is publishing proposed regulations to implement section 220 of the Congressional Accountability Act of 1995 (''CAA'' or ''Act''), Pub. L. 104–1, 109 Stat. 3. Specifically, these proposed regulations are published pursuant to section 220(e) of the CAA.

The provisions of section 220 are generally effective October 1, 1996. 2 U.S.C. section 1351. However, as to covered employees of certain specified employing offices, the rights and protections of section 220 will be effective on the effective date of Board regulations authorized under section 220(e). 2 U.S.C. section 1351(f).

The proposed regulations set forth herein, which are published under section 220(e) of the Act, are to be applied to certain employing offices of the Senate, the House of Representatives, and the Congressional instrumentalities and employees of the Senate, the House of Representatives, and the Congressional instrumentalities. These regulations set forth the recommendations of the Deputy Executive Director for the Senate, the Deputy Executive Director for the House of Representatives and, the Executive Director, Office of Compliance, as approved by the Board of Directors, Office of Compliance. A Notice of Proposed Rulemaking under section 220(d) is being published separately.

Dates: Comments are due within 30 days after publication of this notice in the Congressional Record.

Addresses: Submit written comments (an original and 10 copies) to the Chair of the Board of Directors, Office of Compliance, Room LA 200, John Adams Building, 110 Second Street, S.E., Washington, DC 20540–1999. Those wishing to receive notification of receipt of comments are requested to include a self-addressed, stamped post card. Comments may also be transmitted by facsimile (FAX) machine to (202) 426–1913. This is not a toll-free call. Copies of comments submitted by the public will be available for review at the Law Library Reading Room, Room LM–201, Law Library of Congress, James Madison Memorial Building, Washington, DC, Monday through Friday, between the hours of 9:30 a.m. and 4:00 p.m.

For further information contact: Executive Director, Office of Compliance at (202) 724–9250. This notice is also available in the following formats: large print, braille, audio tape, and electronic file on computer disk. Requests for this notice in an alternative format should be made to Mr. Russell Jackson, Director, Service Department, Office of the Sergeant at Arms and Doorkeeper of the Senate, (202) 224–2705.

SUPPLEMENTARY INFORMATION

I. Introduction

The Congressional Accountability Act of 1995 (''CAA'' or ''Act'') was enacted into law on January 23, 1995. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered Congressional employees and employing offices. Section 220 of the CAA addresses the application of chapter 71 of title 5, United States Code (''chapter 71''), relating to Federal Service Labor-Management Relations. Section 220(a) of the CAA applies the rights, protections, and responsibilities established under sections 7102, 7106, 7111 through 7117, 7119 through 7122, and 7131 of chapter 71 to employing offices, covered employees, and representatives of covered employees. These provisions protect the legal right of certain covered employees to organize and bargain collectively with their employing offices within statutory and regulatory parameters.

Section 220(d) of the Act requires the Board of Directors of the Office of Compliance (''Board'') to issue regulations to implement section 220 and further states that, except as provided in subsection (e), such regulations ''shall be the same as substantive regulations promulgated by the Federal Labor Relations Authority (''FLRA'') to implement the statutory provisions referred to in subsection (a) except—

(A) to the extent that the Board may determine, for good cause shown and stated together with the regulations, that a modification of such regulations would be more effective for the implementation of rights and protections under this section, or

(B) as the Board deems necessary to avoid a conflict of interest or appearance of conflict of interest.''

The Board has separately published a Notice of Proposed Rulemaking with respect to the issuance of regulations pursuant to section 220(d).

Section 220(e)(1) of the CAA requires that the Board also issue regulations ''on the manner and extent to which the requirements and exemptions of chapter 71 [] should apply to covered employees who are employed in the offices listed in'' section 220(e)(2). The offices listed in section 220(e)(2) are:

(A) the personal office of any Member of the House of Representatives or of any Senator;

(B) a standing select, special, permanent, temporary, or other committee of the Senate or House of Representatives, or a joint committee of Congress;

(C) the Office of the Vice President (as President of the Senate), the Office of the President pro tempore of the Senate, the Office of the Majority Leader of the Senate, the Office of the Minority Leader of the Senate, the Office of the Majority Whip of the Senate, the Conference of the Majority of the Senate, the Conference of the Minority of the Senate, the Office of the Secretary of the Conference for the Majority of the Senate, the Office of the Secretary for the Minority of the Senate, the Majority Policy Committee of the Senate, the Minority Policy Committee of the Senate, and the following offices within the Office of the Secretary of the Senate: Offices of the Parliamentarian, Bill Clerk, Legislative Clerk, Journal Clerk, Executive Clerk, Enrolling Clerk, Official Reporters of Debate, Daily Digest, Printing Services, Captioning Services, and Senate Chief Counsel for Employment;

(D) the Office of the Speaker of the House of Representatives, the Office of the Majority Leader of the House of Representatives, the Office of the Minority Leader of the House of Representatives, the Offices of the Chief Deputy Majority Whips, the Offices of the Chief Deputy Minority Whips, and the following offices within the Office of the Clerk of the House of Representatives: Offices of Legislative Operations, Official Reporters of Debate, Official Reporters to Committees, Printing Services, and Legislative Information;

(E) the Office of the Legislative Counsel of the Senate, the Office of the Senate Legal Counsel, the Office of the Legislative Counsel of the House of Representatives, the Office of the General Counsel of the House of Representatives, the Office of the Parliamentarian of the House of Representatives, and the Office of the Law Revision Counsel;

(F) the offices of any caucus or party organization;

(G) the Congressional Budget Office, the Office of Technology Assessment, and the Office of Compliance; and;

(H) such other offices that perform comparable functions which are identified under regulations of the Board.

These offices shall be collectively referred to as the ''section 220(e)(2) offices.''

Section 220(e)(1) provides that the regulations which the Board issues to apply chapter 71 to covered employees in section 220(e)(2) offices ''shall, to the greatest extent practicable, be consistent with the provisions and purposes of chapter 71 [] and of [the CAA].'' To this end, section 220(e)(1) mandates that such regulations ''shall be the same as substantive regulations issued by the Federal Labor Relations Authority under such chapter'' with two separate and distinct provisos:

First, section 220(e)(1), like every other CAA section requiring the Board to issue implementing regulations (*i.e.*, sections 202(d)(2), 203(c)(2), 204(c)(2), 205(c)(2), 206(c)(2), 215(d)(2)), authorizes the Board to modify the FLRA's regulations ''(A) to the extent that the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section.''

Second, independent of section 220(e)(1), section 220(e)(2) requires the Board to issue regulations that ''exclude from coverage under this section any covered employees who are employed in offices listed in [section 220(e)(2)] if the Board determines that such exclusion is required because of—

(i) a conflict of interest or appearance of a conflict of interest; or

(ii) Congress' constitutional responsibilities.''

The provisions of section 220 are effective October 1, 1996, except that, ''[w]ith respect to the offices listed in subsection (e)(2), to the covered employees of such offices, and to representatives of such employees, [section 220] shall be effective on the effective date of regulations under subsection (e).''

II. The Advance Notice of Proposed Rulemaking

A. Issues for Comment that Relate to Section 220(e)

The Board sought comment on two issues related to section 220(e)(1)(A): (1) Whether and to what extent the Board should modify the regulations promulgated by the FLRA for application to employees in section 220(e)(2) offices? (2) Whether the Board should issue additional regulations concerning the manner and extent to which the requirements and exemptions of chapter 71

apply to employees in section 220(e)(2) offices?

The Board sought comment on four issues related to section 220(e)(1)(B): (1) What are the constitutional responsibilities and/or conflicts of interest (real or apparent) that would require exclusion of employees in section 220(e) offices from coverage under section 220 of the CAA? (2) Whether determinations as to such exclusions should be made on an office-wide basis or on the basis of job duties and functions? (3) Which job duties and functions in section 220(e) offices, if any, should be excluded from coverage, and what is the legal and factual basis for any such exclusion? (4) Are there any offices not listed in section 220(e)(2) that are candidates for the application of the section 220(e)(1)(B) exclusion and, if so, why?

In seeking comment on the issues related to section 220(e) regulations, the Board emphasized that it needed detailed legal and factual support for any proposed modifications in the FLRA's regulations and for any additional proposed regulations implementing sections 220(e)(1)(A) and (B).

B. Summary of Comments Received

The Board did not receive any comments on issues arising under section 220(e)(1)(A), and received only two comments on issues arising under section 220(e)(1)(B). These two comments addressed the issue of whether the Board should grant a blanket exclusion for *all* covered employees in the section 220(e)(2) offices. The Board summarizes those two comments here.

One commenter argued that nothing in the CAA warrants any categorical exclusions from coverage. The commenter argued that the CAA's instruction to the Board to issue regulations which ''to the greatest extent practicable'' are ''consistent with the provisions and purposes of chapter 71'' invites coverage as broad in scope as chapter 71 provides for Executive Branch employees. The commenter argued that section 220(e)(1)(B) is an exception to the general rule mandating coverage and that Congress did not purport to find that any covered employees necessarily qualified for application of such an exception. The commenter further argued that the legislative history of section 220(e) indicates that Congress simply authorized the Board to determine whether covered employees in section 220(e)(2) offices should be excluded without in any way suggesting that they should be excluded.

The commenter then pointed out that, like Congress, the President is charged with constitutional responsibilities and that executive branch employees (other than statutorily excepted employees) are nonetheless free to join and be represented by unions of their choice. The commenter urged that there is nothing in the functions of the legislative branch that suggests that union representation of legislative branch employees is any different than union representation of executive branch employees (or that it poses any unique concerns). From this argument, the commenter concluded that no blanket exemption of all of the employees in section 220(e)(2) offices is warranted; and the commenter urged that its conclusion is supported by the overall policy of the CAA to bind Congress to the same set of rules that other employers face.

The second commenter took the position that all of the covered employees in a number of the section 220(e)(2) offices should receive a blanket exemption from coverage under section 220. In support of this argument, the commenter first described the Senate's constitutional responsibilities to exercise the legislative authority of the United States; to ''make all laws which shall be necessary and proper for carrying into Execution'' its enumerated powers; to advise and consent to treaties and certain presidential nominations; and to try matters of impeachments. The commenter then stated that, in fulfilling these responsibilities, the Senate must be ''free from improper influence from outside sources so that Members can fairly represent the interests of the United States and its citizens.'' The commenter asserted that exclusion from coverage of all employees in Senators' personal offices is necessary to insulate the legislative process from improper influence by outside parties.

In so stating, the commenter recognized that a number of such employees would already be excluded under chapter 71, but argued that the participation of any employee of a Senator's office in a labor organization would ''interfere with the Senator's constitutional responsibilities, [] allow unions to obtain an undue advantage in the legislative process and to exercise improper influence over Members, and [] create conflicts of interest.'' The commenter asserted that allowing such employees to organize would ''provide labor unions with unprecedented access to and influence over the operations and legislative activities of Senators' personal offices'' and turn the collective bargaining process into ''a lobbying tool of organized labor.''

The commenter contended that union representation of employees in a Senator's personal office also could create significant conflicts of interest, both because legislation that affects union or management rights may have a direct impact on a Senator's bargaining position with an employee union, and because a Senator's voting position may be tainted by the appearance that he or she is affected by the position of the employee union. The commenter also claimed that payment of union dues by a Senator's employees could create the perception of a conflict of interest, because Senate employees may not make political contributions to their employer, but the employees may nonetheless pay dues to a union that, in turn, contributes to that employer. The commenter further argued that, if a Senator's employees are permitted to organize, they may develop conflicting loyalties that could render them politically incompatible with the Senator for whom they work. The commenter contended that it would be an unfair labor practice for an employer to discharge an employee because of union affiliation even if that union affiliation led to political incompatibility, thus allegedly eviscerating section 502 of the CAA (which is said to authorize an employing office to discharge an employee based on such incompatibility). Finally, the commenter asserted that, if employees of Senators' offices are granted the right to organize, they will be the only employees of federal elected officials who are organized.

The commenter also took the position that the concerns stated regarding union organization in Senators' personal offices are equally applicable to employees in Senate leadership and committee offices. The commenter further asserted that employees in offices under the jurisdiction of the Secretary of the Senate (Offices of the Parliamentarian, Bill Clerk, Legislative Clerk, Journal Clerk, Executive Clerk, Enrolling Clerk, Official Reporters of Debate, Daily Digest and Printing Services, Office of Senate Chief Counsel for Employment) should be excluded from coverage because they allegedly occupy confidential positions that are integral to the Senate's constitutional functions. The commenter also asserted that employees in the Office of Senate Chief Counsel for Employment should be excluded because attorneys in that office will engage in labor negotiations on behalf of management in Senate offices and because all employees in the office have access to privileged and confidential information. The commenter similarly stated that employees in the Office of the Legislative Counsel and the Office of the Senate Legal Counsel should be excluded because they have direct access to privileged and confidential information relating to the constitutional functions of the Senate.

Finally, the commenter contended that, pursuant to 220(e)(2)(H), employees in four other offices should be subject to a blanket exclusion: Employees in the Executive Office of the Secretary of the Senate, because they are privy to confidential information about both the legislative functions of the Senate and the labor management policies of the Office of the Secretary; employees in the Office of Senate Security, because they have access to highly sensitive and confidential information relating to the constitutional responsibilities of the Senate, as well as to matters of national security; employees in the Senate Disbursing Office, because they have access to confidential financial information that could enhance a union's bargaining position; and employees in the Administrative Office of the Sergeant at Arms, because they have access to confidential information about the office and the Senate.

III. Notice of proposed rulemaking

In developing its proposed regulations, the Board has carefully considered both its responsibilities under section 220(e) and the two directly contradictory comments that the Board received concerning the regulations that it must issue. For the reasons that follow, the Board's judgment is that a blanket exclusion of *all* of the employees in the section 220(e)(2) offices is not ''required'' under the stated statutory criteria. But the Board will propose regulations that *allow* the exclusion issue to be raised with respect to any particular employee in any particular case. The Board also urges commenters who support any categorical exclusions, in commenting on these proposed regulations, to explain why particular jobs or job duties require exclusion of particular employees so that the Board may exclude them by regulation, where appropriate. Through this initial regulation and any categorical exclusions that may appropriately be included in its final regulations, the Board intends to carry out its statutory responsibility under section 220(e) to exclude employees from coverage where required, and to make changes in the FLRAs regulations where necessary.

A. Section 220(e)(1)(A)

Section 220(e)(1)(A) authorizes the Board to modify the FLRA's regulations ''to the extent that the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under [section 220(e)].'' No commenter took the position that there was good cause to modify the FLRA regulations for more effective implementation of section 220(e). Equally important, no commenter took the position that a blanket exclusion of *all* of the covered employees in any of the section 220(e) offices would be ''more effective for the implementation of the rights and protections under [section 220(e)].'' And, at present, the Board has not independently found any basis to exercise its authority to modify the FLRA regulations for more effective implementation of section 220(e). The Board therefore does not propose to issue separate regulations pursuant to section 220(e)(1)(A)—that is, except as to employees whose exclusion from coverage under section 220 is required, the Board proposes that the regulations that it issues under section 220(d) will apply to

employing offices, covered employees, and their representatives under section 220(e).

B. Section 220(e)(1)(B)

Section 220(e)(1)(B) provides that the Board ''shall exclude from coverage under [section 220] any covered employees in [section 220(e)(2) offices] if the Board determines that such exclusion is required because of—

(i) a conflict of interest or appearance of a conflict of interest; or

(ii) Congress' constitutional responsibilities.''

The question here for resolution, then, is to what extent the Board should exclude covered employees in the section 220(e)(2) offices from coverage.

1. The statutory language and legislative history indicate that exclusions are proper only where ''required'' by the stated statutory criteria

Section 220(e)(1)(B) states that the Board ''shall'' exclude any covered employee of a section 220(e)(2) office where such exclusion is ''required'' by the stated statutory criteria. The statutory specification that the exclusion be ''required'' by Congress' constitutional responsibilities or a conflict of interest is telling. In this context, the term ''required'' means ''insist[ed] upon usu[ally] with certainty and urgency.'' *See* Webster's Third New International Dictionary (1986); *see also* Black's Law Dictionary (4th ed. 1968) (''direct[ed], order[ed], demand[ed], instruct[ed], command[ed]''). Thus, merely being helpful to or in furtherance of the stated statutory criteria is insufficient; rather, the exclusion must be *necessary* to the conduct of Congress' constitutional responsibilities or to the avoidance of a conflict of interest (real or apparent).

Although legislative history should always be consulted with due care and regard for its limitations, the scant legislative history directly attached to section 220(e)(1)(B) here appears to confirm that exclusions are proper only where necessary to achieve the stated statutory criteria. *See* 141 Cong. Rec. S626 (section-by-section analysis of CAA). What is now section 220(e) was added to a predecessor to the CAA in October 1994 in the Senate Governmental Affairs Committee. The Committee's Report explains that this provision was added in response to several Members' concerns that the application of labor laws to the legislative offices might interfere with Congress' ability to fulfill its constitutional functions:

''For example, there was a concern that, if legislative staff belonged to a union, that union might be able to exert undue influence over legislative activities or decisions. Even if such a conflict of interest between employees' official duties and union membership did not actually occur, the mere appearance of undue influence or access might be very troubling. Furthermore, there is a concern that labor actions could delay or disrupt vital legislative activities.'' [S. Rep. No. 397, 103d Cong., 2d Sess. 8 (1994).]

The Report went on to explain that the proposed bill addressed the Members' concerns in two ways: First, rather than applying the National Labor Relations Act (''NLRA'') to Congress, the bill would apply chapter 71 whose ''provisions and precedents . . . address problems of conflict of interest in the governmental context and . . . prohibit strikes and slowdowns.'' Second, ''as an extra measure of precaution,'' the bill would not apply to the section 220(e)(2) offices ''until the Board has conducted a special rulemaking to consider such problems as conflict of interest.'' *Id.* at 8.

The above-described Senate Report does not reveal—either expressly or implicitly—any congressional expectation that exclusions would necessarily result as a consequence of the Board's special rulemaking. Instead, the Report explains that the concerns of several Members were principally addressed by the incorporation of chapter 71 (rather than the NLRA) in the bill and that, ''as an extra measure of precaution,'' the Board should consider in a special rulemaking whether application of even chapter 71 to employees in section 220(e) would defeat Congress' responsibilities or cause insoluble conflicts of interest (real or apparent). *See* 141 Cong. Rec. S444-45 (remarks of Senator Grassley). Indeed, the section-by-section analysis of the bill that became the CAA states that section 220(e) should not be construed as ''a standardless license to roam far afield from [the] executive regulations.'' *See* 141 Cong. Rec. S626.

These legislative materials suggest that section 220(e) requires the Board to exclude employees in section 220(e)(2) offices only where ''required'' by the statutory criteria—*i.e.*, where exclusion is necessary to the accomplishment of the statutory criteria. The legislative materials leave no room for the exclusion of covered employees in the absence of a demonstrated and substantial need for doing so.

2. Exclusion of all employees in section 220(e) offices is not required by Congress' constitutional responsibilities or concerns about real or apparent conflicts of interest

On the basis of the comments received to date, the Board is unable to find a demonstrated and substantial need for the blanket exclusion of *all* employees in the section 220(e)(2) offices. Such a blanket exclusion of *all* covered employees does not appear to be required by either Congress' constitutional responsibilities or any real or apparent conflicts of interest.

a. Exclusion is not necessitated by Congress' constitutional responsibilities

The key premise of the commenter's argument that exclusion of *all* section 220(e)(2) office employees is required by Congress' constitutional responsibilities is the assertion that collective bargaining rights for section 220(e) employees are categorically inconsistent with the effective functioning of the Legislative Branch. But the legislative judgment embodied in chapter 71 is that collective bargaining rights are entirely consistent with—and, indeed, enhance—the efficient and effective functioning of the Executive Branch. *See* 5 U.S.C. §7101. More to the point, the legislative judgment in chapter 71 is that collective bargaining is consistent with—and, indeed, supportive of—the Executive Branch's fulfillment of the President's constitutional responsibility faithfully to execute the laws of the United States. The Board has not yet been presented with any facts or legal argument that would support a determination that, in contrast to the situation in the Executive Branch, *all* employees of the section 220(e)(2) offices must be excluded from collective bargaining in order for the Legislative Branch to be able to fulfill its constitutional charge.

For example, although the commenter asserts that, if a Senator is required to bargain with his or her employees' union, the employees' union will obtain an undue advantage in the legislative process by dint of its members' special access to the Senator and its members' influence over the Senator's legislative positions, the Board does not believe that a Senator can be brought to his constitutional knees so easily. The commitment of our Nation's elected representatives to the performance of their constitutional duties is great; and, access or no access by unions, it must be presumed that our elected representatives will carry out their constitutional responsibilities with fervor. Moreover, it must also be recognized that, in doing so, our elected representatives will be supported by many employees who simply do not have the right to organize. Supervisors—defined as individuals with authority to hire, direct, assign, promote, reward, transfer, furlough, layoff, recall, suspend, discipline, or remove employees, or to adjust their grievances, or to effectively recommend such action—are not even covered by chapter 71 as applied by the CAA. *See* sections 7103(a)(2)(iii) & 7103(a)(10). Likewise, management officials—defined as individuals in positions whose duties and responsibilities require or authorize the individual to formulate, determine, or influence the policies of their employer—are not covered. *See* sections 7103(a)(2)(iii) & 7103(a)(11). Furthermore, confidential employees—defined as employees who act in a confidential capacity with respect to individuals who formulate or effectuate management policies in the field of labor-management relations—and employees engaged in personnel work are not covered. *See* sections 7112(b)(2),(3) & 7103(a)(13). Finally, employees whose participation in the management of a labor organization or whose representation of a labor organization results in a conflict or apparent conflict of interest or is otherwise incompatible with law or with official job duties are not covered. *See* section 7120(e). Cumulatively, these exclusions undermine the claim that *all* employees of a section 220(e)(2) office—including secretaries and messengers—must be excluded from coverage in order for the Legislative Branch to fulfill its constitutional charge; to the extent that a union obtains access, it will be on behalf of employees who are *not* at the center of the Senator's management core.

The commenter supporting blanket exclusion for all employees in certain section 220(e)(2) offices also argued that, absent such an exclusion, a Senator's employees would be able to influence a Senator's legislative position in exchange for concessions at the bargaining table. This argument, however, ignores the fact that, for those employees not exempted (such as certain secretaries and messengers), chapter 71 provides only a limited set of labor relations rights. Once organized, employees may bargain about their conditions of employment. But they may not bargain about matters ''specifically provided for by Federal statute,'' a category which includes *inter alia* a number of restrictions on pay, health insurance, and retirement benefits for legislative employees. *See* sections 7102(2), 7103(a)(12), 7103(a)(14)(C). Moreover, they may only bargain about their ''terms and conditions of employment''; *their Senator's legislative positions are not properly on the table.* And in the event that nonexempt employees in section 220(e)(2) offices fail to come to terms with an employing office about their terms and conditions of employment, the employees do not have the principle coercive weapons that organized labor uses to further its employment goals, *see Allis Chalmers v. NLRB*, 388 U.S. 175 (1967), because they lack the right to strike or slow down. *See* sections 7103(a)(2)(v), 7311. These limitations make it clear that exclusion of *all* additional employees in a section 220(e)(2) office (such as certain secretaries and messengers) is not necessary to prevent the allegedly improper influence that concerns the commenter; and they make self-evident that such a blanket exclusion of *all* section 220(e)(2) office employees is not required by Congress constitutional responsibilities.

The commenter supporting blanket exclusion of *all* employees in section 220(e)(2) offices further argued that all members of a Senator's staff—no matter how routine their job duties—are privy to inside information about the Senator, including information about the Senator's legislative positions.

The commenter expressed a concern that a Senator's organized employees might reveal this confidential information to their union and that a union might then use the confidential information to exert improper influence on the Senator and thus on the legislative process. The commenter also feared that a Senator's organized employees would not wholeheartedly perform their duties if the Senator were to take a position inimical to the interests of unions. But, again, these concerns are not sufficient to justify blanket exclusions, if only because they can be addressed by other means.

The confidentiality of information and loyal performance of duties can be ensured without exclusion of *all* section 220(e)(2) office employees. Nothing in federal law, and certainly nothing in chapter 71 or the CAA, limits a Member's right to establish neutral work rules designed to assure productivity, discipline, and confidentiality and to discipline and/or discharge any employee who violates those rules. An employee who violates one of these work rules may be discharged *for that reason*.

This point answers the commenter's argument that categorical exclusion is necessary because a Senator would not be able to discharge or discipline an employee who leaks confidential information, or one who openly and actively supports legislation that the Senator opposes. If the Senator had in place and enforced a work rule neutrally forbidding such conduct, then he or she could discipline or discharge an employee who engaged in the forbidden conduct without regard to the employee's union membership or activity (so long as the employee's constitutional rights were not violated). The Senator would only violate section 220 of the CAA if he or she simply forbid inconsistent conduct that related to union membership or activities or enforced a facially neutral rule in a discriminatory manner. Exclusion of *all* covered employees is thus not ''required'' to address the confidentiality and loyalty concerns that have been advanced here.

b. Exclusion of all employees in section 220(e)(2) offices is not ''required'' by any real or apparent conflicts of interest

Nor is the Board prepared at this point to accept the argument that blanket exclusion of all employees in section 220(e)(2) offices is ''required'' to avoid conflicts of interest, real or apparent. The exclusions in chapter 71 for supervisory, confidential and other such employees are sufficient to take care of most potential conflict of interest questions created by employee organization; indeed, chapter 71 itself allows exclusion of employees with additional insoluble conflicts of interest. While the Board is prepared to exclude appropriate categories of employees where required by conflicts of interest, the suggestion that *all* employees in section 220(e)(2) offices must be excluded because of such alleged conflicts does not appear well-founded.

The commenter expressed a fear that organized employees would necessarily have a loyalty to the union and to union goals that would be inconsistent with loyal service to a Member and to his or her legislative positions. There may indeed be such tensions and potential conflicts that arise from union membership of covered employees. But such tensions and conflicts also arise in connection with a covered employee's membership and participation in other special interest groups, such as the Sierra Club, the National Rifle Association, the National Right to Work Foundation, or the National Organization of Women. Indeed, an employee's outside associations—whatever they may be—all give rise to a possible tension between the employee's interests and loyalties (as expressed by outside associations) and the Member's legislative positions. Nonetheless, Congress has not imposed a blanket prohibition on employee membership and participation in outside associations; and, under chapter 71, the tensions and potential conflicts that arise in connection with union membership have not been enough to justify a blanket exclusion of all employees from organization in the Executive Branch. While the Board is prepared to consider whether such associations might preclude organization rights for particular employees in particularly sensitive positions, it cannot accept the suggestion that the possible tensions between employee interests and loyalties and Member positions ''requires'' the blanket exclusion of *all* employees in section 220(e)(2) offices; there are surely less restrictive means for mitigating these potential conflicts for many, if not all, of the employees of section 220(e)(2) offices.

The commenter also asserted that exclusion of all employees is required by an apparent conflict of interest for Members voting on legislation that affects unions: according to the commenter, if the Members support the legislation, they may be perceived as caving to union pressure; if they oppose it, they may be perceived as attempting to enhance their bargaining positions with the union; in either instance, they would *not* be perceived as serving their constituents. But this situation does not appear to differ from that faced by the President when he or Executive Branch officials acting on his behalf take a position on pending labor legislation. That apparent conflict is inherent to employee organization in the public sector; and yet chapter 71 reflects a judgment that this apparent conflict does not require the categorical exclusion of all employees from collective organization. The judgment in chapter 71, which Congress incorporated by reference in the CAA, prevents the Board from accepting any argument that this apparent conflict *requires* exclusion of all employees in a section 220(e)(2) office.

Indeed, with respect to both alleged conflicts of interest, the Board finds it significant that, in chapter 71's statement of congressional findings and purpose, Congress expressly found that ''labor organizations and collective bargaining in the civil service are in the public interest'' because they ''safeguard[] the public interest,'' ''contribute[] to the effective conduct of public business,'' and ''facilitate[] and encourage[] the amicable settlements of disputes between employees and their employers involving conditions of employment.'' *See* Section 7101. Section 220(e)(1) of the CAA instructs the Board to hew as closely as possible to ''the provisions and purposes of chapter 71.'' In doing so, the Board has no choice but to reject the proposition that *all* employees in a section 220(e)(2) office must be excluded from coverage because of a real or apparent conflict that their organization would create for their Member of Congress. The premise of chapter 71, and thus the CAA, is that employees in unions may loyally serve government employers and that the public will not view government acts in response to union demands as illegitimate responses to union pressure.

3. Proposed regulations under section 220(e)(1)(B)

For these reasons, the Board does not propose to issue regulations that grant blanket exclusion of all employees in any of the section 220(e)(2) offices. In the Board's judgment, the issuance of blanket exclusions from the application of section 220 for *all* employees in section 220(e)(2) offices would represent a significant departure from the overall purposes and policies of the CAA. The Board would promptly take that step if it were necessary because of a conflict of interest (real or apparent) or Congress' constitutional responsibilities. But no necessity has been shown or yet been found for the exclusion of all employees in section 220(e)(2) offices.

The Board further notes that no commenter took the position that there were job duties of employees within section 220(e)(2) offices that required application of section 220(e)(1)(B)'s exception to coverage; *a fortiori*, no commenter provided the Board with any facts or legal argument in support of the issuance of regulations providing that employees in section 220(e)(2) offices who perform certain job duties are not covered by section 220. For this reason, the Board does not propose to issue any such regulations at this time. Of course, the Board stands ready to use its rulemaking authority to propose and issue such regulations when and if the Board is presented with facts and legal argument demonstrating that the application of section 220(e)(1)(B) to employees performing particular job duties is ''required.'' The Board again urges commenters to provide the Board with such information and authorities.

The commenter supporting blanket exclusion of all employees in section 220(e)(2) offices argued that, pursuant to its power under section 220(e)(2)(H), the Board should propose regulations (i) adding the Executive Office of the Secretary of the Senate, the Office of Senate Security, the Senate Disbursing Office, and the Administrative Office of the Sergeant at Arms to the statutory list of section 220(e)(2) offices, and (ii) granting a blanket exclusion of all covered employees in these offices. By its analysis above, the Board has effectively rejected the argument that any offices, including these four, are entitled to blanket exclusion of all of their employees from application of section 220. The Board agrees, however, with the commenter's assertion that employees in these offices perform functions ''comparable'' to those performed by employees in the other section 220(e)(2) offices, and thus the Board proposes, pursuant to section 220(e)(2)(H), to treat these offices as section 220(e)(2) offices for all purposes, including the determination of the effective date of sections 220(a) and (b). For all other offices—that is, all offices that are not either listed in section 220(e)(2) or defined as section 220(e)(2) offices here—the effective date of sections 220(a) and (b) is October 1, 1996.

No commenter took the position that the Board should adopt a regulation authorizing parties and/or employees in appropriate proceedings to assert, and the Board to decide, where appropriate and relevant, that a covered employee employed in a section 220(e)(2) office is required to be excluded from coverage under section 220(e) because of a conflict of interest (real or apparent) or because of Congress' constitutional responsibilities. The Board, however, proposes to issue such a regulation. By doing so, the Board intends to ensure that an exclusion may be provided where the law and the facts require it. The proposed regulation of the Board allows the issue of exclusions under section 220(e)(1)(B) to be raised and decided on a case-by-case basis.

IV. Method of approval

The Board recommends that (1) the version of the proposed regulations that shall apply to the Senate and employees of the Senate be approved by the Senate by resolution; (2) the version of the proposed regulations that shall apply to the House of Representatives and employees of the House of Representatives be approved by the House of Representatives by resolution; and (3) the version of the proposed regulations that shall apply to

other covered employees and employing offices be approved by the Congress by concurrent resolution.

Signed at Washington, D.C., on this 22nd day of May, 1996.

GLEN D. NAGER,
Chair of the Board, Office of Compliance.

§ 2472 Specific regulations regarding certain offices of Congress

§ 2472.1 Purpose and Scope

The regulations contained in this section implement the provisions of chapter 71 as applied by section 220 of the CAA to covered employees in the following employing offices:

(A) the personal office of any Member of the House of Representatives or of any Senator;

(B) a standing select, special, permanent, temporary, or other committee of the Senate or House of Representatives, or a joint committee of Congress;

(C) the Office of the Vice President (as President of the Senate), the Office of the President pro tempore of the Senate, the Office of the Majority Leader of the Senate, the Office of the Minority Leader of the Senate, the Office of the Majority Whip of the Senate, the Conference of the Majority of the Senate, the Conference of the Minority of the Senate, the Office of the Secretary of the Conference for the Majority of the Senate, the Office of the Secretary for the Minority of the Senate, the Majority Policy Committee of the Senate, the Minority Policy Committee of the Senate, and the following offices within the Office of the Secretary of the Senate: Offices of the Parliamentarian, Bill Clerk, Legislative Clerk, Journal Clerk, Executive Clerk, Enrolling Clerk, Official Reporters of Debate, Daily Digest, Printing Services, Captioning Services, and Senate Chief Counsel for Employment;

(D) the Office of the Speaker of the House of Representatives, the Office of the Majority Leader of the House of Representatives, the Office of the Minority Leader of the House of Representatives, the Offices of the Chief Deputy Majority Whips, the Offices of the Chief Deputy Minority Whips, and the following offices within the Office of the Clerk of the House of Representatives: Offices of Legislative Operations, Official Reporters of Debate, Official Reporters to Committees, Printing Services, and Legislative Information;

(E) the Office of the Legislative Counsel of the Senate, the Office of the Senate Legal Counsel, the Office of the Legislative Counsel of the House of Representatives, the Office of the General Counsel of the House of Representatives, the Office of the Parliamentarian of the House of Representatives, and the Office of the Law Revision Counsel;

(F) the offices of any caucus or party organization;

(G) the Congressional Budget Office, the Office of Technology Assessment, and the Office of Compliance; and;

(H) the Executive Office of the Secretary of the Senate, the Office of Senate Security, the Senate Disbursing Office and the Administrative Office of the Sergeant at Arms.

§ 2472.2 Application of Chapter 71

(a) The requirements and exemptions of chapter 71 of title 5, United States Code, as made applicable by section 220 of the CAA, shall apply to covered employees who are employed in the offices listed in section 2472.1 in the same manner and to the same extent as those requirements and exemptions are applied to other covered employees.

(b) The regulations of the Office, as set forth at sections 2420–29 and 2470–71, shall apply to the employing offices listed in section 2472.1, covered employees who are employed in those offices and representatives of those employees.

§ 2472.3 Exclusion from coverage

Notwithstanding any other provision of these regulations, any covered employee who is employed in an office listed in section 2472.1 shall be excluded from coverage under section 220 if it is determined in an appropriate proceeding that such exclusion is required because of (a) a conflict of interest or appearance of a conflict of interest, or (b) Congress constitutional responsibilities.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, too many Americans have not the foggiest notion about the enormity of the Federal debt. Every so often, I ask various groups, how millions of dollars are there in a trillion? They think about it, voice some estimates, most of them not even close.

They are stunned when they learn the facts, such as the case today. To be exact, as of the close of business yesterday, May 22, 1996, the exact Federal debt—down to the penny—stood at $5,117,440,103,398.93.

Another astonishing statistic is that on a per capita basis, every man, woman, and child in America owes $19,318.08 as his or her share of the Federal debt.

As for how many millions of dollars there are in a trillion, there are a million million in a trillion, which means that the Federal Government owes more than 5 million million dollars.

MINTZ LEVIN'S SUCCESSFUL DOMESTIC VIOLENCE PROJECT

Mr. KENNEDY. Mr. President, domestic and other acts of violence against women have reached epidemic proportions. Figures from 1994 show that, on the average in the United States, a woman was murdered every two days, and a woman was beaten every 15 seconds as a result of domestic violence.

The Violence Against Women Act was passed in 1994 to address this problem and ensure the safety and peace of mind of millions of women and their families. Congress took an approach that requires a partnership between the private sector and the public sector at every level—Federal, State, and local.

The Domestic Violence Project being carried out by the law firm of Mintz Levin Cohn Ferris Glovsky and Popeo is an excellent example of a successful partnership. In testimony before the Senate Judiciary Committee, Kenneth J. Novak, chairman of the firm's Community Service Program, described its Domestic Violence Project and its efforts to reduce domestic violence.

The Domestic Violence Project that Mr. Novak described can be an effective model for many others in helping the Nation meet and master the challenge of domestic violence. I believe that Mr. Novak's testimony will be of interest to all of us in Congress, and I ask unanimous consent that it be printed in the RECORD.

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

Mr. Chairman, and members of the Judiciary Committee, my name is Kenneth J. Novack of the law firm Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., with offices in Boston and Washington, D.C. As a member of the Firm's Executive Committee, previous President and CEO, and Chairman of the Mintz Levin Community Service Program, I am pleased to be here today to provide testimony regarding the commitment of one law firm to make a significant and continuing difference in the fight against domestic violence.

BACKGROUND

Mintz Levin has strived for over 60 years to create and maintain a workplace of diversity and tolerance, and to serve the community as well as our clients.

In 1990, at the initiative of two first-year associates, the Firm created the Mintz Levin Domestic Violence Project to provide free legal representation to victims of domestic violence. In 1994, the Firm decided to expand and focus its community service commitment, and we chose the area of domestic violence as the principal focus of all our future community service. We hired a full-time Director of Community Service and established a Community Service Fund to complement our domestic violence pro bono practice and to encourage Firm-wide participation.

DOMESTIC VIOLENCE INITIATIVES

Mintz Levin chose a three-pronged approach for our efforts against domestic violence: public policy issues on a national level; state and local efforts; and an internal focus within the Firm.

Internal Focus. As the foundation of our domestic violence initiatives, we began at home by working to give all our employees access to the support needed to free themselves from abusive situations. Mintz Levin provides its employees with free legal assistance including, when necessary, helping them to obtain restraining orders. Each new employee is given an information packet including a resource card entitled *Where to Get Help if Domestic Violence is a Problem*, which identifies three Mintz Levin attorneys and one attorney from another law firm who will provide free and confidential assistance. In addition, a booklet entitled *Domestic Violence: The Facts* is provided to each employee and lists local resources. Our Human Resources Department has developed a policy for managing family violence situations, and all management staff have been trained to recognize and respond to such situations. A speaker's bureau provides regularly scheduled seminars to increase employee awareness. We have also offered Model Mugging safety-defense classes in both our Boston and Washington offices. As a result of our efforts, our employees feel free to come forward for assistance and do so on a regular basis.

Mintz Levin also creates opportunities for broad-based participation by our employees in community service activities. A Domestic Violence Task Force, consisting of attorneys, senior professionals and other employees, regularly reviews and advises with respect to the Firm's public policy and program development initiatives. A Community Service Advisory Committee, consisting primarily of administrative and support staff, initiates volunteer projects and Firmwide events on behalf of local domestic violence organizations. The Firm encourages interested employees to assist shelters, advocacy groups and other organizations on Firm time.

State and Local Efforts. The second component of Mintz Levin's domestic violence initiative consists of continuing efforts at the state and local levels, enabling us to utilize our skills as legal advocates and to identify opportunities for new, innovative projects in the Greater Boston and Washington, D.C. communities. Our attorneys and senior professionals are active in a wide variety of service and planning committees, and our Domestic Violence Project continues to provide pro bono legal representation to victims of domestic violence. The Project is staffed by specially trained Mintz Levin attorneys, paralegals and project analysts, who have been accepting restraining order cases from Greater Boston Legal Services since July 1990. To date, participants in the Project have been successful in obtaining protective orders, vacate orders, and temporary custody and support orders for over 100 clients. Project attorneys also assist clients in the enforcement of such orders. The Project provides clients with social services referrals for their non-legal needs, such as housing and counseling. In Washington, we have also represented battered women in court and sponsored city-wide training sessions to encourage other attorneys to do the same.

Through our Domestic Violence Project, Mintz Levin attorneys have also represented battered women in appellate matters before the Massachusetts Supreme Judicial Court and have filed briefs amici curiae in both federal and state courts. Such appellate work is essential to the interpretation and enforcement of laws intended to protect victims of domestic violence. Law firms, especially large ones like Mintz Levin, are uniquely situated to muster the legal resources necessary to undertake such appellate cases.

In addition to pro bono client services, Project participants work with the Massachusetts Coalition of Battered Women Service Groups toward the enactment of legislation that will afford greater protection to victims of domestic violence. As a result of these efforts, the Project was instrumental in securing the passage in December 1990 of the Act to Further Protect Abused Persons, which substantially strengthened the Massachusetts Abuse Prevention statute. In December 1993, the Project worked with the Massachusetts Coalition of Battered Women Service Groups for the passage of legislation that directs judges to consider evidence of past or present domestic violence in custody and visitation proceedings. More recently, Project members worked to further the enactment of the Massachusetts Weapons Bill, which takes guns, ammunition and other weapons out of the hands of batterers.

Our experience has demonstrated that the opportunities to serve are not limited to the fields of litigation or government relations. Mintz Levin's real estate and environmental law professionals have provided *pro bono* legal services to non-profit corporations which have built shelters for the victims of domestic violence and transitional housing for homeless women and their families. In 1986, the Firm began its representation of the Elizabeth Stone House, an alternative mental health and battered women's shelter, with the acquisition of two buildings and the conversion of them into a battered women's shelter and a transitional housing program.

In 1993, the Firm represented the Asian Task Force Against Domestic Violence in its efforts to build a 12-bed emergency shelter for battered women and their children. This shelter was the first shelter for Asian women in New England. In the past year, more than 170 women have used the Asian Shelter, and the shelter has received 1,000 calls for help and another 4,000 calls seeking information. It is an especially important facility for Asian women since it provides a hot line and counselling in a number of Asian languages, and language barriers have often prevented Asian women from seeking help at traditional shelters. Attorneys from the Firm have served on the Board of Directors of both the Elizabeth Stone House and the Asian Task Force Against Domestic Violence.

The issues of homelessness and substance abuse are intertwined with that of domestic violence. Therefore, the Firm's real estate and environmental law attorneys have given their time to help the Women's Institute for Housing and Economic Development develop two transitional programs for women, one for women recovering from substance abuse and one for homeless women and their families.

In Massachusetts, we work closely with the Massachusetts Coalition of Battered Women Service Groups, helping them obtain funds for shelters and to develop programs that provide assistance to battered women and their children. We act as advisors to district attorneys, to the Governor's office and to legislators on the issue of domestic violence. We have worked with the Massachusetts Coalition of Battered Women Service Groups toward the enactment of legislation to help prevent placing children at risk from batterers, by creating a rebuttable presumption that a parent who engages in a ''pattern'' or ''serious incidence'' of abuse against his or her partner should not be awarded sole or joint custody over their children. Our efforts extend to helping the Massachusetts Coalition of Battered Women Service Groups obtain funding for their member shelters, including by bringing together committed advocates and legislators who keep the issue of funding active in the agenda of the Massachusetts legislature.

In 1990, the Project received an award from the Young Lawyers Division of the Boston Bar Association; and in 1992, the Project received an award from the Women's Bar Association for its work on behalf of victims of domestic violence. In 1994, the Rose Foundation presented an award to Mintz Levin for its efforts in the area of domestic violence. We are encouraged by these recognitions of our work to hope that other firms will join us in helping battered women and children.

Our Community Service Program also includes non-legal direct service work. As part of the Polaroid CEO Challenge, we have partnered with the Elizabeth Stone House, building on our long-standing commitment to that organization. The CEO Challenge encourages business leaders to end domestic violence by partnering with a battered women's shelter, providing support and advocacy. Our partnership with Elizabeth Stone House has to date included a mentoring program for children, and internship program in our production department for women seeking new job skills, a children's holiday party, and a very successful effort to raise money to provide a new roof. Mintz Levin also worked with the Massachusetts Office of Victim Assistance, by helping to craft and implement ''safe plan'', a program that provides women with protection and assistance through each step of their escape from violence. And we have provided support services to Peace At Home, one of the first organizations to define domestic violence as a human rights issue.

National Level. On a national level, we are proud to be affiliated with the National Network to End Domestic Violence. As you know, The National Network was instrumental in the drafting of the Violence Against Women Act, and working for its passage and funding. The Violence Against Women Act is historic legislation, and I applaud your championship, Senator Hatch, of the issue of violence against women and children. Our efforts on behalf of the National Network have included our serving as *pro bono* legal counsel, as well as providing office space and administrative support, and organizational development, as well as writing *amicus* briefs regarding the confidentiality of records of battered women and rape crisis service providers.

Other national efforts include Mintz Levin's participation in the newly organized National Workplace Resource Center, where we serve as Co-chair of the Corporate Social Responsibility Sub-committee, and as liaison to the American Bar Association's Commission on Domestic Violence.

Charitable Contributions. Our initiatives include financial contributions, which we make through our Community Service Fund, as well as in-kind contributions. Mintz Levin in-kind contributions include donations of clothing, furniture, office supplies, graphic design, printing and training events. We have identified a continuing need of grassroots organizations for assistance in strategic planning, business development and computer technology. We consider the funding of an organizational development consultant to be an excellent form of in-kind contribution. For example, when the Same Sex Domestic Violence Coalition applied to our Community Service Fund, we suggested a contribution of a day-long strategic planning session with a consultant of their choice. The group accepted and, six weeks after their planning session, we received an invitation to a community forum which they had identified as the first step in their strategic plan. The community forum inspired an active group of forty organizations and committed individuals who are now working together to develop services for victims of same sex domestic violence.

LESSONS LEARNED

The Power of Networking. Mintz Levin draws upon the knowledge and commitment of approximately 600 employees, including over 225 attorneys and senior professionals. As a large law firm, we have experience with the justice system, connections to the corporate community, extensive state and federal government relations capabilities, and a remarkable ability to make a difference. I believe the greatest service that Mintz Levin has offered in its six-year-old domestic violence initiative has been to open doors which have traditionally been shut to battered women and children and their advocates, and to make the introductions necessary for diverse leaders with very different backgrounds to form new partnerships.

I would like to mention a few examples. One of our goals has been that resources for battered women and their children be easily accessible, and that domestic violence advocates and service organizations be able to communicate with each other across the country. We encouraged our client America Online (''AOL''), which operates the country's largest consumer online service, to consider a domestic violence area within its new Digital City Boston. AOL responded enthusiastically. At my request, the Mintz Levin Director of Community Service brought together representatives from AOL and local domestic violence activists to design and implement a domestic violence area. The Massachusetts Coalition of Battered Women Service Groups is now partnering with AOL, and involved advocates are receiving the training and software necessary to maintain the area. A representative from the Public Educational Technical Assistance Project of the National Resource Center on Domestic Violence, funded by the Centers for Disease Control, is involved to ensure coordination with other emerging domestic violence online networks. The area is scheduled to open

in June, and I hope it will be a precursor to a national online network.

We have been pleased, and occasionally surprised, by the interest of others in supporting our efforts. As part of our fund raising efforts to provide a new roof for the Elizabeth Stone House, we received a donation of roofing materials from a Firm client, and donations from several vendors for a silent auction. I have recently agreed to serve as Co-chair for a Men's Advisory Committee for the Massachusetts Coalition of Battered Women Service Groups, which I hope will encourage other businessmen to become personally involved in working to end domestic violence.

Mintz Levin was also instrumental in the establishment of the Jane Doe Safety Fund. Through our corporate clients, we were able to bring together corporations, foundations and other funds to provide guidance and financial assistance to members of the domestic violence community who wanted to establish a fund to educate the public about domestic violence and to support battered women's shelters. The Jane Doe Safety Fund is now in its fifth year of existence.

Mintz Levin plans to continue its public policy efforts in the area of domestic violence on both a state and national level, including our partnerships with the National Network and the Elizabeth Stone House, as well as our own Firm-based education and prevention programs. The broad-based involvement and enthusiasm of our employees reinforces and deepens our commitment to the issue. We will also continue to use our access and relationships to encourage and foster new public/private partnerships. Building a network of like-minded law firms across the country is one of our goals for the coming year.

Economic Security. Economic security is listed as the number one reason battered women go back to their abusers. It would be wrong to separate artificially the problem of domestic violence from the issues of free legal services, social services and child support programs. Battered women need more support, not less, to end abusive relationships.

Learning from Others. Our initiatives in domestic violence, and our partnerships with the National Network, the Elizabeth Stone House, and other service organizations, have taught us that in addition to having a lot to offer, we have a lot to learn. From battered women and their advocates we can learn what is needed next to end domestic violence and how and when our resources and skills can best help. The passage and funding of the Violence Against Women Act has already created, and will continue to create, opportunities for unlikely partnerships. Domestic violence advocates, law firms, corporations, government agencies and the judicial system each have their own perspectives on the problem of domestic violence, and we all may be a bit parochial in our approaches. Building new models of collaboration is both challenging and rewarding. Our new partnerships require building new bridges. We must learn to work respectfully with people and organizations with very different histories, different measures of success, and sometimes even histories as adversaries. As we create new models of cooperation, we must also recognize that it will take time, patience, goodwill and even humor to go the distance.

CONCLUSION

Chairman Hatch and Members of the Senate Judiciary Committee, I offer my congratulations and thanks for your leadership in the passage of the Violence Against Women Act. I also thank you for the opportunity to speak to you today. It is my belief that lawyers and law firms are in a unique position to become innovative partners in the implementation of the Act. My colleagues and I look forward to working with others in the legal profession to make a significant contribution to the fight against domestic violence.

Respectfully submitted, Kenneth J. Novack.

TRIBUTE TO CHARLES MEISSNER

Mr. KENNEDY. Mr. President, the tragic plane crash in Croatia last month that took the life of Secretary of Commerce Ron Brown also took the lives of other outstanding officials in the Department of Commerce, including Charles F. Meissner, who was Assistant Secretary for International Economic Policy and who was also the husband of Doris Meissner, the Commissioner of the Immigration and Naturalization Service. During the 1970's, he had served with great distinction for several years on the staff of the Senate Foreign Relations Committee.

Our hearts go out to the Meissner family in this time of their great loss. In the days following that tragedy, a number of eloquent tributes to Charles Meissner described his extraordinary career, his dedication to public service, and his contributions to our country and to peoples throughout the world. I believe these tributes will be of interest to all of us in Congress and to many others, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the tributes were ordered to be printed in the RECORD, as follows:

TRIBUTE TO CHARLES MEISSNER

(By Stuart E. Eizenstat)

Doris, Christine, Andrew, family and friends of Chuck Meissner. I feel doubly blessed by my association with the Meissner family. In the Carter Administration it was my good fortune to work closely with Doris on immigration issues—to see directly her intelligence, her calm amidst the pressures of policymaking, her quiet dignity, her dedication to public service. It was then that I first came in contact with Chuck.

But it was during the past 2½ years, with me in Brussels and Chuck in Washington, that we formed an intense professional and personal bond which profoundly influenced me. We worked together on every important trade and commercial issue involving the European Union and its member states.

During Chuck's frequent travels to Brussels, he stayed with Fran and me, and had many meals with us. Chuck and I attended innumerable meetings together. When my appointment to my current position at Commerce became known, I spent a great deal of time talking and meeting with Chuck, seeking his advice and counsel and telling him of my plans to beef-up the International Economic Policy unit he so ably led. Our last conversation came only a few days before his trip to Bosnia and Croatia.

During Chuck's all-too-brief tenure as Assistant Secretary, there was hardly a continent that did not benefit from Chuck's sterling efforts. Chuck used his extensive financial experience at Chemical Bank and the World Bank to encourage private sector investment in the border regions in Mexico, as chair of the U.S.-Mexico Border Economic Development task force. He helped to expand economic contacts between the West and Central Europe and the states of the former Soviet Union by his work to invigorate the Economic Forum of the Organization for Security and Cooperation in Europe, and by the drive and leadership he gave to the West-East Economic Conferences.

Chuck was inspiring in his work with large and small American companies. He had a flair for dealing with CEOs. They empathized with him and understood his global vision. Nowhere was this better exemplified than in the Transatlantic Business Dialogue. Secretary Brown initiated the idea that U.S. and European business should take the lead in helping government design future transatlantic commercial policy. But it was Chuck that made this idea work. The success of the historic conference in Seville, Spain, last November that brought a 100 leading American and European CEOs together was due in large part to Chuck.

Following on his deep conviction that trade was the best force for peace, Chuck used his boundless energy to bring American companies together with companies in emerging democracies and in reforming countries. He was the leading force behind President Clinton's White House Conference on trade and investment in Eastern Europe, held in Cleveland last year. That conference exposed America's top companies to the genuine opportunities to build commercial bridges to Central Europe.

He poured his heart into using commercial policy to support the peace process in Northern Ireland. He was particularly proud, and justly so, of bringing scores of companies there to support our efforts and those of the British government to bring peace to that troubled land. When peace finally comes to Northern Ireland, as it surely will, Chuck Meissner will have played a major role in being a midwife. He was just beginning to do the same in Haiti.

It was on another such venture to undergird a fragile peace, that took Chuck and Ron Brown to Croatia and Bosnia. He died doing what he loved, using the resources of the American private sector to strengthen the forces of peace and democracy abroad. The terrible conflict in Bosnia has now claimed several friends, earlier Bob Frasure, and now Chuck, Ron and our other colleagues at the Commerce Department.

Chuck maintained a punishing travel schedule, as he was driven to extend our commercial diplomacy round the world. He joked to me that he only saw Doris, with her own demanding schedule, as their planes criss-crossed in the sky! And Doris, his love for you and the children was evident in the fond ways in which he talked about you.

But all of this was a continuation of a life devoted to public service, with a particular emphasis on expanding America's economic relationships abroad, relationships which are the very essence of our efforts to expand democracy and prosperity around the globe. He served in senior positions in the Treasury Department, on the Senate Foreign Relations Committee, where he was Staff Director of the Subcommittee on Foreign Relations, and in the State Department where he was Deputy Assistant Secretary for International Finance and Development and Ambassador and U.S. Special Negotiator for Economic Matters. Chuck's service to the United States was not limited to civilian positions. He was a Vietnam veteran, decorated on several occasions for his bravery in combat as a Captain in the United States Army.

But will all of these accomplishments, I will most remember Chuck with genuine love and affection for something more personal. Few people have touched me the way Chuck did. He had a wonderful joy of life and sense of humor. He made me laugh—not always easy to do! When I told Doris at her home Friday about this, she said, ''You

know, one of the reasons I married Chuck was that he made me laugh too!''

When Chuck came into a room his radiance lit it up. That beautiful smile and almost cherubic face—like a grown-up version of one of Raphael's endearing child angels—never failed to touch me deeply and to the core. I was drawn to Chuck, as I know all of you were, by not only his obvious competence but by his basic decency, his goodness, his wonderful humanity. Chuck believed in causes but he never forgot the people who were to benefit from them.

Just as we all feel blessed by Chuck's friendship, and by his caring, all of us also feel, in our own way, cheated by his tragic death—for myself, deprived of an opportunity to work even closer together on the causes he so believed in, deprived of more time to nurture our friendship, deprived of the chance to simply feel so good in his presence.

But all of this pales in comparison to the loss for Doris and the children of a husband, a father, a companion. There is an old saying, that ''men and women plan, but God laughs at our plans and has his own for us.'' None of us can possibly explain this tragedy. All one can say is that God on High must have been particularly lonely and needed Chuck's companionship and laughter; as those who knew him on this imperfect earth so reveled in it.

Chuck, we loved you as you loved us. Our memories are sweet as the fragrances of Spring will surely come. They did not die with you. All of your friends will always be the better for you having come into our lives with your wonderful countenance.

Doris, we hope that our prayers and the heartfelt feelings of your colleagues in the Justice Department, the Commerce Department and throughout the Administration will strengthen you in these dark and difficult days, and will sustain you as you continue to service the country so well for which Chuck gave his life.

REFLECTIONS ON CHARLES MEISSNER

(By Michael Ely)

Today it is my honor briefly to talk to you about Charles Meissner and the central theme of his working life, service to his government and, more broadly, service to his nation and to the world. Chuck might have been embarrassed by this discussion. His sense of personal responsibility and commitment was so deep and integrated into his life that it became part of his personality. It went right down to his toenails. He felt that devotion to the public good was normal and natural behavior, even if not widely shared in a world full of people in futile pursuit of private gain and satisfaction outside of and divorced from the public good.

Indeed, his concept of the good was universal, comparable to what we might think of as the inner vision of a saint, but tempered by years of experience in addressing complex issues of public policy where the path to the good is unmarked and has to be discovered or even created. Here was an area that must have drawn Doris and Chuck together: their willingness, even eagerness, to grapple with policy issues with difficult tradeoffs, no easy solutions and multiple painful outcomes. Chuck sought to reconcile commercial affairs with broader national interests; Doris deals with the terrible tensions between social decency and justice and conflicting economic and social problems.

Our paths first came together in the State Department almost two decades ago. From a senior staff position with the Senate Foreign Relations Committee he had been parachuted in, as it were, as Deputy Assistant Secretary in the Bureau of Economic Affairs, then a powerful and aggressive organization with entirely State personnel. Chuck used to joke, with some reason, that I was brought in as his principal deputy to keep an eye on him. We ended up mentoring each other, he with his broad Treasury and Senate background, I a decade older with depth in overseas diplomatic service and State bureaucratic background. Our relations, warmed by Chuck's openness, honesty and obvious ability, deepened into mutual trust and ripened into friendship.

It was in retrospect an exciting and creative period. In the wake of the first oil shock and the world economic slowdown many countries in Latin America, Africa and eastern Europe could not repay to the US hundreds of millions in official debts contracted in better times. It was Chuck's labor of Hercules to sort out the economic implications and the sticky foreign and domestic politics to come up with a set of US government responses. A thankless business—he specialized, like Doris, in thankless tasks—with infinite opportunity for offending the Congress, the Treasury, the debtor countries and the other creditors.

It was in this thicket of problems that he encountered Michel Camdessus, then a very senior officer of the French Treasury, and like him an official of extraordinary breadth and ability. Their initial adversarial relations were transformed by mutual appreciation into a partnership that defined the rules for handling sovereign debt, and lived on through the years that followed.

The dozen years Chuck spent sorting out the debt problems of the Chemical Bank and experiencing the institutional culture of the World Bank were stepping stones to his policy position in Commerce; all of us confidently expected his star to mount in the coming years, the years that have been taken from him.

As a negotiator he was matchless. He won, of all things, by being straight! To begin with, Chuck was deeply uninterested in the social luxuries of diplomatic life (I finally got him to recognize the difference between red and white wines) and skipped the cocktail parties unless he had a diplomatic chore to do there. For another, he neither bluffed nor threatened, nor did he respond to such tactics; while he could sense the hidden agenda of his adversary, he had none of his own; and his attention never wavered nor temper flared. His physical vitality and a Churchillian ability to snatch catnaps equipped him to outlast the most tenacious adversary. And his patience had no end.

This perhaps gives one insight into the secret of Chuck's consistent success as a public servant: a unmatched combination of selflessness, honesty, self control, and hunger for the public good that set him apart and armored him against any accusations of personal advantage. All this was matched by easy good humor, modesty, natural courtesy and a radiant smile that made this man, in some respects really most formidable, one of the least threatening I have ever known. The biggest occupational hazard of diplomacy is vanity and it increases with rank. Chuck's ambassadorial title, conferred to increase his negotiating prestige, never impressed him; he laughingly liked to suggest he be called Ambassador Chuck.

Yet he was a true intellectual—he would not have liked the term—with an original, searching mind that looked so broadly and deeply as to go quite beyond the reach of most of us. Because of this he was, I think, sometimes quite alone—very few could stay with him at the vertiginous level of conceptualization that he felt was—is—urgently needed to think out tough problems. It was to help in this endeavor that he asked me to join him as an advisor.

In particular, Chuck was convinced that the age calls for new and creative ways to use the dynamism and power of the American private sector as an instrument for peace, stability and democracy. In his two years at Commerce he wrestled with the challenge of integrating foreign commercial policy with its materially-driven bottom-line goals with broader foreign policy to find how they could be used to energize and reinforce each other. The breakthroughs for reconciliation in Ireland, which Chuck created almost single handedly, were propelled by his vision of economic growth and development based on cooperative measures to induce private investment by American enterprises.

Underlying all of his endeavors—his efforts in Ireland, his attempts to strengthen the Organization for Security and Cooperation in Europe, his approach to the problems of the big emerging markets—was a great long-term vision. He believed that the essential task of the post-Cold War era was to structure incentives and institutions for bringing all the Russias, Chinas and Bosnias—all the reforming and emerging countries—into the world economic order. Chuck dreamed of a world of peace, stability and democracy built upon irreversible global interdependence: all nations would have more to gain by cooperating, by participating in an open world system based on the rule of law, than by resort to traditional unilateral attempts to seek advantage. He saw the vast American commercial structure as a central instrument in this great scheme.

He was working on how to articulate this broad concept into a series of strategies when he was taken from us.

A week ago Stuart Eizenstat led a gathering of Commerce employees in reflection on the loss of Chuck and his colleagues. In that moving ceremony one of the respondents from the audience declared that the finest memorial for the perished would be to continue to work toward the goals they believed in. So be it with Charles Meissner, visionary, public servant, man of honor—and husband, father and friend. His memory will strengthen and sustain us as we continue his gallant search.

THE HONORABLE CHARLES F. MEISSNER

Charles Meissner was sworn in as the Assistant Secretary for International Economic Policy at the Department of Commerce on April 4, 1994 following confirmation by the United States Senate. As Assistant Secretary, Mr. Meissner was responsible for international commercial policy development, including country and regional market access strategies, multilateral and bilateral trade issues, and policy support of Secretary of Commerce Ronald Brown on international issues.

Since 1992, Mr. Meissner had served at the World Bank as manager of the Office of Official Co-financing and Trust Fund Management. Mr. Meissner was responsible for maintaining the Bank's financial relationships with official co-financiers who co-finance approximately $10 billion in projects annually with the World Bank.

Previously, Mr. Meissner served as Vice President at Chemical Bank where he coordinated sovereign debt restructuring policy within the bank and represented Chemical in negotiations with debtor countries.

In 1980, Mr. Meissner was appointed Ambassador and U.S. Special Negotiator for Economic Matters. Mr. Meissner has also served as Deputy Assistant Secretary for International Finance and Development in the Bureau of Economic and Business Affairs at the U.S. Department of State.

In 1973, he accepted a professional staff appointment to the Committee on Foreign Relations of the U.S. Senate where he served as

an economist. In his final year with the committee, he also served as staff director to the Subcommittee on Foreign Assistance. He began his career in 1971 at the U.S. Department of Treasury in the Office of International Affairs where he worked as the Japan desk officer and as special assistant to the Assistant Secretary for International Affairs.

A native of Wisconsin, Mr. Meissner is a three-time graduate of the University of Wisconsin, including a BS in 1964, an MS in Economics in 1967, and a Ph.D. in Agricultural Economics with a minor in Latin American Studies in 1969. He served in the Vietnam War as a Captain in the United States Army during 1969 and 1970 and received for his service the Army Commendation Medal, the Joint Service Commendation Medal and the Bronze Star.

Doris and Chuck met during their freshman year at the University of Wisconsin and were married in 1963. They have two children, Christine, 31, and Andrew, 27.

Mr. SIMPSON. Mr. President, I rise with my colleague from Massachusetts to mourn the loss of Charles F. Meissner, the Assistant Secretary for International Economic Policy at the Commerce Department. He was a man who devoted his life to furthering America's economic strength; our Nation is the better for his service.

His close friends—leaders from the public and private sector—have eulogized Chuck Meissner more ably than I could ever hope to do. I want to share their moving statements with my colleagues and with others of our Nation, so all Americans may know and understand how deeply America misses his service and his leadership. I ask unanimous consent that these tributes to the life and accomplishments of Chuck Meissner be printed in the RECORD.

There being no objection, the tributes were ordered to be printed in the RECORD, as follows:

TRIBUTE TO CHARLES MEISSNER

(By Michel Camdessus)

Having had the privilege for 18 years to be one of the innumerable colleagues and friends of Chuck Meissner in the international community, let me try to tell you what sort of man he was for all of us.

Let me tell you first how we became friends, something, I must say, which changed my life.

When I first met Chuck in 1978, he was the highly respected and seasoned head of the U.S. delegation to the Paris Club—this group of industrialized countries dealing with the payment difficulties of the debtor countries—and I its newly appointed and totally unprepared Chairman. It was there, as Chuck tactfully guided me through the intricacies of developing country debt, that I first came to know the fine qualities that we all admired so much in him.

I must say, from the first he impressed me very much. He was one of those people whose mere presence transformed a group's life, focusing its purposes, adding to its creativity, making it congenial and enthusiastic. What was the secret of this? Was it his charm, his persuasiveness, his distinction and natural nobleness, sense of humor, the fun he found in working, his selfishness, his own sense of purpose and dedication? All of these things, and more! The fact that behind the opposite member at the negotiating table he saw a person, and behind the problems, people; men, women, children, whose opinion had to be sought given their responsibility for their own destinies, people whose suffering had to be alleviated, people who had to be given a new chance . . . And more again, but you had to know him well to perceive this and to be prepared to read it in his eyes, his smile, his jokes, or in his silences, the extraordinary way in which love was the unifying factor of his life. He loved his family, he loved his friends, he loved his country, the values of his country and to work for them, knowing pretty well since his experience in Vietnam that this could imply the ultimate sacrifice. Let me mention a few of these values: the sense of responsibility for leading the way toward a better world, confidence that it is always worthwhile to help people stand again on their feet, to work with them to build peace through solidarity. I said solidarity; perhaps the proper word should be brotherhood throughout the world ''from sea to shining seas.'' This was, I think the professional secret of Chuck, the fact that in one way or another, even in the most adverse situations, he was always giving something of himself, putting his mind and heart into achieving a better agreement, in finding a more constructive solution.

I witnessed this many, many times, as the debt crises multiplied the clients of the Paris Club, making Chuck a regular customer on the transatlantic flights between Washington and Paris. Let me tell you that I particularly admired him on the occasion of an UNCTAD meeting in Manila where, leading the American delegation, his role was decisive in transforming an occasion which could have been confrontational and rhetorical into an opportunity for solidly laying down the basic principles (the so-called ''features'') which since then have governed public debt rescheduling operations. This could seem somewhat esoteric to you, but if I tell you that since then, on the basis of these principles, more than 250 billion dollars of public debt has been generously rescheduled * * * and 65 countries have been given a new chance, you will have some idea of the contribution Chuck made in making the world a better place. No more of this.

In the days since that terrible tragedy on the hillside outside Dubrovnik, Chuck's many friends, colleagues and admirers around the world have recounted the many other instances in which Chuck tried to make a difference—and succeeded. In Belfast, where he had traveled many times to assist in building economic bridges across the political divide, and where, as I read in a message from the West Belfast Economic Forum director: The community activists working towards economic and social regeneration in West Belfast came to know Charles Meissner. It was, however, to Chuck Meissner's own credit as an individual, that we came to also regard him as a friend. Over the past two years, Charles Meissner returned to West Belfast on several occasions. Always, he ensured that grassroots activists from the disadvantaged communities were consulted and kept informed. He understood that if there was to be a ''Peace Dividend'' then any economic intervention from the USA must be targeted specifically as those communities which have suffered most from exclusion and marginalisation. Chuck recognised that more than straightforward economic investment is required to bring about economic regeneration. He valued the work of the community organizations and the opinions of those with firsthand experience of dealing with the problems in our community. Chuck gave freely of his own time and expertise and encouraged others, both within his department and among the American business community to support locally based economic initiatives.

Chuck's action was similar at the US-Mexican border, where he worked to improve the economic and environmental conditions. And most recently, in Bosnia where Chuck was seeking to secure a fragile peace with the promise of a better future through economic development and trade. Suffice it here for me to quote his last declaration in Bosnia, I quote the wire agencies:

''`We want to build confidence in investing and reestablish the internal confidence' between the Serbs, Croats and Muslims, said Charles Meissner, assistant secretary of commerce for international economic policy.

''Development `gives a common ground that you re-establish economically, developing the basis for interdependency,' he said.''

This was Chuck, my friends, this is Chuck: a great man, a great friend, a great American, a great builder of peace, one of those ''God will call his children'' (Mat. 5–9), one of those who can tell the Lord with a joyful assurance ''your house will be my home.'' (Ps. 23).

MEMORIAL SERVICE FOR CHARLES F. MEISSNER

(By Ted Crabb)

I came to know Chuck Meissner in the early '60's when I was working, as I still do, at the Wisconsin Union, the student-led community center at the University of Wisconsin-Madison. Like his brother David, Chuck came to the Union not only to take part in the social, cultural and recreational activities the Union provided, but to help plan, develop and promote those activities.

It tells you something about Chuck Meissner that in choosing to become active at the Union as a student, he was not deterred by the fact that his older brother had already made his mark there, first as a committee chair and then as president of the Union's student-faculty-alumni governing board. Another person, less comfortable with himself, might have chosen a different activity, or even a different college in the first place. Not Chuck. If the Union was the place to mix with students of diverse backgrounds, to meet informally with professors, to debate the issues of the day, to encounter new and provocative ideas, to get involved, then that's where Chuck wanted to be.

It may have been at the Union that Chuck learned the patience that would enable him to cope with the vagaries and uncertainties of government service. Two years in a row, Chuck was responsible for a lecture to be given by Werner von Braun. Two years in a row, he made posters, distributed notices to university classes, made arrangements for a special dinner for the honored guest, even produced little table tents resplendent with glittering rocket ships. Two years in a row, von Braun canceled his appearance at the last minute.

Certainly, Chuck learned at the Union how to deal with dashed hopes. In his senior year, he was a candidate for president of the Union but lost out to his good friend, Carol Skornicka. It tells you something about Chuck that this defeat was no permanent setback to their lifelong friendship.

Chuck left the university after he finished his graduate work in Agricultural Economics, but he retained his interest in the university and in the Wisconsin Union. For the last eleven years, he served in an advisory role to the Union, most recently as a member of the board of trustees of the building association. In that role, he was the kind of board member that a president or director both loves and fears.

Chuck didn't just attend meetings. He engaged himself in them totally, asking tough questions, goading everyone to more effort. And when he left the annual meeting after an intense day and a half session, I knew that within a few days, I'd get a letter from him. It wouldn't be one of those innocuous,

''Thank you very much, you're doing a great job and enclosed are my expenses'' letter. No. It would be two or three single-spaced, tightly packed pages of ideas for the future and suggestions for implementation. ''What is the Union doing to prepare for a decline in funding when undergraduate enrollment is cut back? What can you learn and put into practice from the recent Carnegie Foundation report on higher education? What is the Union doing to serve the community in continuing education and to broaden the life experiences of students?''

In one letter in 1990, Chuck focused on the role and image of Union South, a second Union building, located on the Engineering Campus and long seen by some as a sort of afterthought, or as Chuck called it, ''the second child who has to share his parents' love and always perform up to the older sibling's standards.'' Chuck had a dozen different ideas for upgrading its image, including the possible rededication of the building to honor those who have promoted civil and human rights in Wisconsin as a means of promoting greater campus community feeling in the cause of a shared heritage among blacks, whites, Hispanics, Asians and Native Americans on campus.

At the 1991 meeting of the trustees, Chuck proposed the establishment of a permanent endowment for the Union trustees, to provide a stable source of funding for the programming efforts of the Union and the upkeep and renovation of the physical structures. He followed up his suggestion with a three-page draft of a funding statement that the board of trustees adopted at its next meeting, with almost no changes, and which it has since implemented.

All directors of organizations should have members like Chuck to prod and nudge.

The Wisconsin Union is a tiny entity in the world that Chuck occupied. It tells you a lot about Chuck Meissner that he gave it the same kind of focused attention he gave to the global issues that made up his work day. Just last fall, he was calling to ask me to send him information about the Wisconsin Union that he could take to a person he'd met on a trade mission, who was trying to build a campus community center at his own college in Ireland.

The goals and the purpose of the Wisconsin Union as a unifying force in a diverse community were not just words to Chuck. He believed in the worth of student volunteer activities. He never wavered from the view that the Union's primary mission was to provide opportunities for volunteering and to help students develop the skills that would make them effective volunteers and contributors to their communities—to become persons who were concerned not just with getting something out of life but with putting something into life. Chuck had great faith in students. He believed there was little they could not accomplish if given the opportunity. His constant question was, ''What is the student role in this program or this function?''

To those of us who worked with Chuck at the Union, it was no surprise that his last effort would be leading a group of volunteer business leaders to Bosnia. Again, he had persuaded others to apply their skills and talents to doing a job that needed to be done. The scope of the job was mammoth: beginning the healing of the unimaginable wounds of a civil war and the rebuilding and revitalizing of an entire society. But Chuck had seen that there was a role to be played by volunteers who were willing to put their unique talents and resources to work to help their larger community. As he had done throughout his life, he was putting into practice the Union ideal that the foundation of democracy is the individual efforts of citizens, working together to solve their common problems.

Many people say that heroism has vanished from America. We in this audience know better. We know that Chuck Meissner was a hero. Not only because he gave his life for his country or because he took great risks in the service of his country or flew dozens of hazardous and uncomfortable flights to remote places, all of which he did, but also because he lived the values to which many people give lip service. He honored his commitments. He gave generously of himself, not for self-aggrandizement or private fortune but for the worth of the undertaking. He did what he did because it was the right thing to do. And in the end he left the world a better place for his having been here.

We think of Chuck and we remember that broad smile, that gentle spirit, the way he could walk into a room of strangers and put everyone at ease, his enjoyment of the rich and varied experiences his jobs offered him, and that sense of irony that helped him maintain his perspective in the heady and unreal world of Washington politics. We think of the love and pride that were so evident whenever Chuck talked about Chris and Andrew. We think of his marriage to Doris: a marriage in which each partner provided the ballast that allowed the other to soar. And when we think of all these things we can only be grateful that we knew Chuck and that he was our friend.

[From the National Journal, Apr. 13, 1996]

HERE WAS A PUBLIC SERVANT

(By Ben Wildavsky)

The way a friend of Charles F. Meissner's tells the story, Commerce Secretary Ronald H. Brown was once leading an American delegation to Bonn when high-profile diplomat Richard C. Holbrooke joined him in the head car of the U.S. motorcade. Not long after the vehicles got under way, the motorcade stopped. Holbrooke walked back to find Meissner in another car and told him that Brown had requested that the two of them trade places. ''I understand you're the guy who tells him what to say before the meeting,'' Holbrooke told Meissner.

Meissner, the assistant Commerce secretary for international economic policy, was one of the best of that unsung yet indispensable Washington class: the people who tell other people what to say before the meeting. While he was a distinguished international negotiator in his own right, Meissner was fulfilling a key behind-the-scenes role for Brown when he was killed in the April 3 plane crash that took the lives of the Commerce Secretary and more than 30 other Americans.

Those who knew Meissner say the 55-year-old international economics expert showed by example what it means to live a life of public service. ''He was a civil servant in the best tradition of the European civil service, where it carries much more prestige,'' said Jeffrey E. Garten, former Commerce undersecretary for international trade and now dean of the Yale School of Management. ''When I was nominated to go to the Commerce Department, he was about the first person I went to, to see if he would come with me.''

With the new Clinton Administration eager to give the Commerce Department an active role in combining commercial and foreign policy, Meissner's extensive background in government and in international banking was tailor-made for the department's mission. ''Chuck had the ideal profile in that he had worked in the State Department but he had all this private-sector experience,'' Garten said. ''Most importantly, he knew how to deal with the bureaucracy—and in the State Department, he was known for being very, very tough in pursuing his goals, It was kind of a joke that when he headed toward Treasury, they all left their offices because they didn't want to spend the next three days arguing with him. He was extremely tenacious.''

Charles William Maynes, editor of *Foreign Policy* magazine, said Meissner deserves a share of the credit for the changed role of the Commerce Department under Brown. In the Administration's first three years, ''there was more foreign policy coming out of the Commerce Department than any other division,'' Maynes said. ''You can quarrel with it, but they had a specific strategy and certain countries they targeted. That is Chuck and Garten and Brown who did that—that's where that came from.''

A graduate of the University of Wisconsin, where he earned a doctorate in economics, Meissner received the Bronze Star for his Army service during the Vietnam war. He began his Washington career at the Treasury Department in 1971. Following a five-year stint as a Senate Foreign Relations Committee economist, he joined the State Department as a deputy assistant secretary and later gained ambassadorial rank as the lead U.S. negotiator on international debt rescheduling. Meissner spent nine years as a Chemical Bank vice president, then moved to a senior World Bank post in 1992 before joining the Administration in April 1994. His wife, Doris, became commissioner of the Immigration and Naturalization Service in 1993.

Meissner was known among colleagues and friends for an engaging sense of humor and for his basic decency. In the days after Meissner's death, a colleague spoke of the strong interest he took in advancing the careers of the people who worked for him. Another recalled the ''extraordinary''—and successful—efforts Meissner made to help a Vietnamese woman escape her country just before the fall of Saigon. Many remembered his personal warmth.

''He was splendid in every aspect of his personal and professional life,'' said Richard M. Moose, undersecretary of State for management, who first met Meissner around 1970 at the U.S. military headquarters in Vietnam. Moose was then a staff member of the Foreign Relations Committee, and Meissner was an Army Intelligence officer. Meissner helped brief the visiting Capitol Hill aides and impressed Moose right away. ''He found a way not to go along with the convention of misleading congressional delegations,'' Moose said. Later, when Meissner went to the Foreign Relations Committee, the two became partners, taking numerous trips together to Vietnam and Cambodia. ''It was like a traveling seminar in macroeconomics,'' Moose said. ''He was terribly good at taking his knowledge of economic theory and applying it to very practical kinds of situations.''

Maynes said Meissner had a rare understanding of the real-world intersection of politics and economics. ''He was an outstanding economist and a devoted public servant,'' Maynes said. ''But the most notable thing about him was that he was an excellent negotiator.'' He observed that Meissner's negotiating skills were ''so extraordinary'' he was asked to stay at State in the Reagan Administration even though he was a Democrat.

Other testimonials to Meissner's qualities abound. W. Bowman Cutter, former deputy director of the National Economic Council, said Meissner's high-level experience in government and business made his judgment ''something you could really rely on.'' Messiner ''obviously loved his work, and he was good at it,'' said former Senate Majority Leader George J. Mitchell, D-Maine, who

worked side by side with Meissner in the U.S. effort to promote economic development in Northern Ireland and called him ''a good friend.''

In the end, another friend said, Meissner stood out for his love of substance. ''The higher you go in government, the more you come in touch with sharks or political animals who really aren't interested in policy but who want to do favors for people on the Hill, or do what looks good in tomorrow's press stories,'' said Ellen L. Frost, a former trade official now with the Institute for International Economics in Washington. ''And Chuck was never one of those. He cared about sound policy.''

HOLDS AGAINST MILITARY NOMINATIONS

Mr. THURMOND. Mr. President, before we recess to honor all veterans as we observe Memorial Day, I would like to bring a situation, which I find extremely egregious, to the attention of my colleagues.

Today there are 25 military nominations pending before the Senate. These general and flag officers have been on the Executive Calendar and available for confirmation by the Senate since Thursday May 2, 1996. Now, 3 weeks later, they are still not confirmed because one Senator has placed a hold on these nominations.

I do not like anonymous holds for any reason. I can understand a Senator holding a political civilian nominee until a meeting can occur or an agreement can be reached on an issue related to the civilian nominee's duties. In these cases the civilian nominee and the agency would clearly understand who is holding the nomination and the circumstances under which they may reach accommodation. In my view, this type of hold is within the bounds of Senatorial privilege.

Traditionally, military nominations have not been the subject of political holds. In the past, we have seen military nominations held for as long as a year. However, in these cases, the hold was not anonymous and the hold was imposed until an investigation of the activities of the nominee could be completed to the Senator's satisfaction. The 25 general and flag officers being held today are hostages, I believe, to a political debate which is totally unrelated to the qualifications or assignments of the nominees.

Let me review for my colleagues a few of the nominations which are being held. In the Air Force, Lt. Gen. Richard Myers has been nominated for reappointment to lieutenant general and for assignment as the assistant to the Chairman of the Joint Chiefs of Staff; Air Force Lt. Gen. John Jumper has been nominated for reappointment to lieutenant general and for assignment as Deputy Chief of Staff for Plans and Operations for the Air Force; Lt. Gen. Ralph Eberhart has been nominated for reappointment to lieutenant general and for assignment as Commander, U.S. Forces, Japan; Lt. Gen. Daniel Christman has been nominated for reappointment to lieutenant general and for assignment as the Superintendent of the U.S. Military Academy. Mr. President, these are not all of the 35 senior military officers currently under an anonymous hold, but they represent a sample of the effect of this hold.

Why would a Senator deny the Chairman of the Joint Chief of Staff his key assistant, the person who travels with the Secretary of State representing the Chairman in critical foreign policy discussions? Why would a Senator hold an officer selected for assignment as the plans and operations officer for the entire U.S. Air Force. We all understand the global commitments of the Air Force. Why would a Senator deny the chief of staff of the Air Force the ability to fill this very critical billet? Why would a Senator deny our U.S. Forces in Japan a commander or the cadets of the U.S. Military Academy their Superintendent? Is there any political agenda so worthy as to merit such action? I think not.

Mr. President, I abhor this tactic of holding military nominations hostage. I assure my colleagues this is not the way to force me or Senator NUNN to capitulate on a political issue. I strongly believe also that the Department of Defense should not make concessions while military nominees are held. We cannot allow military nominations to become bargaining chips in political disagreements, for local defense contracts or approval of military construction projects. Military personnel are selected for promotion and nominated by the President based on their performance and potential for greater service. These are merit based actions not political decisions. As chairman of the Armed Services Committee, I will do everything possible to keep politics out of the military promotion process.

I urge the Senator who has placed a hold on the military nominations to release them and permit the Senate to confirm these key military leaders so they can continue to serve their country and perform the business of national security.

Mr. NUNN. Mr. President, I would like to take a moment today to discuss the current hold that has been placed on military nominations that are pending on the Senate Calendar.

There are today 25 military nominations pending before the Senate. These are nominations for promotion or appointment of men and women to the flag and general officer grades in each of the military departments. These are people who have each performed in the service of our country with great distinction for over 20 years. They are individuals who will continue to serve at the highest leadership levels in our military.

Some examples of the kinds of nominations that are pending include the appointment of the next Commander of U.S. Air Forces in Japan; the appointment of the next Commander of U.S. Central Command Air Forces; the appointment of the next Superintendent of the U.S. Military Academy; and the promotion of 19 officers in the Navy to the grade of rear admiral.

Each appointment and promotion list has been considered by the Armed Services Committee and the committee has favorably reported each nomination to the Senate recommending confirmation. Some of these nominations were reported to the Senate on May 2; others on May 14. Although some of these nominations have been pending for 3 weeks, the Senate is not acting on them because they have been put on hold by one Senator.

I want to be clear here that I do not object to the long-standing Senate practice that permits a Senator to hold a nomination when there is a problem with a nomination. Even this should only be done when there is sufficient cause. This is certainly not what is happening here.

I strongly object to the tactic of putting a hold on military nominations in order to gain leverage on an issue that is totally unrelated to either the nominees themselves or the positions for which they have been nominated. This is the announced purpose of the Senator's hold.

The Senate has had a strong tradition of not involving our military nominees in the politics of the Nation or in the politics of the Senate. That tradition is being ignored here and I think it is wrong.

There may be some that say that the holding up the nominations of men and women in uniform is an appropriate way of getting the attention of the Department of Defense. In my judgment, it is inappropriate and I would recommend the Pentagon leadership not react to this type of blackmail because, once they do, all military nominations would be at risk.

And anyone that thinks it is appropriate to use military servicemembers as a bargaining chip for whatever reason does a tremendous disservice to those brave men and women who volunteer to serve our Nation in uniform and it does a tremendous disservce to this institution.

How do you tell a patriot who has served almost half his or her life in uniform, frequently in harms way, that they are not being confirmed for promotion because a United States Senator wants to get the attention of someone in the administration?

We are talking here about people nominated to hold the positions of the highest responsibility in our military services at a time when that military is committed in harms way around the globe.

Additionally, the unnecessary delay of military nominations has some very real consequences for the individuals and their families that I want to mention.

The spring and early summer months are traditionally the periods of the highest turnover for military personnel. Every effort is made to effect transfers during the summer months in order to cause as little disruption to families during the school year.

The reassignment of a senior military officer upon Senate confirmation is often the lynchpin of a series of reassignments that moves like a ''daiseychain'' down through the ranks.

Accompanying one 3-star appointment can be a series of nine or ten other moves. So, unnecessarily delaying confirmation has a tremendous effect on a number of officers—and their families—far removed from the nominee. These families have to plan their moves, their travel and leave time. They can not move until the individual at the top moves. And the individuals at the top can not move until they are confirmed. One reason for this is that the Senate does not want nominees to take any actions that presume the outcome of the confirmation process.

Additionally, it is important to note that some of the military nominees pending before the Senate could be promoted immediately if they were confirmed. Therefore, holding up their confirmation is actually taking money out of the pockets of these officers. Surely, we do not want to require a military officer to pay literally for a political disagreement in which he or she has no part.

If a Senator need to get someone's attention; if one Senate committee needs to work out some difference with another Senate committee; if someone needs to gain support for a legislative proposal; there are ways to do this without placing the military service members in the middle and adversely affecting them and their families.

Each day we ask these men and women to make tremendous sacrifices for our Nation. Sacrifices that no one in any other walk of life is asked to make. These men and women have earned the promotions and appointments for which they have been nominated. We do them a disservice when the confirmation process is used as a tactic to gain advantage in the Senate or in other circles.

Mr. President. I ask my colleagues to understand the effect that holding military nominations has on the men and women caught in the middle and to refrain using military nominations as hostages. I would hope that the Senator will release his hold so these nominees can be confirmed prior to the Memorial Day recess.

CHILDREN'S HEALTH: WHAT WORKS?

Mrs. MURRAY. Mr. President, as part of my ongoing commitment to children, I have come to the floor today to draw attention to my efforts to improve the health of American children and young people.

It is clear that many people work hard every day for the well-being of children in this country. However, we all can do—and need to do—so much more. Children's health in my home State of Washington is better overall, including lower infant mortality and better prenatal care. However, immunization rates and child nutrition need improvement.

Across our Nation, over 10 million children are uninsured. One in four children are covered by Medicaid—more than half in working families. And, nearly 200,000 babies were born in 1993 who had no prenatal care, or none until the last 3 months of pregnancy, despite the fact that we know that averting one low birth-weight baby can prevent as much as $37,000 in initial hospital and doctor fees.

Internationally, among industrialized countries, America ranks 16th in the living standards of our poorest children, 18th in the gap between rich and poor children, and 18th in infant mortality.

Certainly, we all can do better for our children's well-being. We know it, and the American people know it.

When I hear from people in Washington State on the topic of children's health, I hear common themes. People from Vancouver to Yakima to Spokane to Tacoma worry about kids not having access to basic health care. They talk about children going to emergency rooms with preventable illnesses and injuries. Parents talk about feeling like they need more and better information to make decisions affecting their child's health.

In response to those concerns, you will continue to see me working in three different areas to improve and protect children's health and well-being:

First, keep effective national standards for health care in place for all children, including those with special needs.

Second, make prevention the centerpiece of our national children's health policy.

Third, increase access to information for families to make the best decisions possible for their children.

There are several ways to do more for children, and not all of them are difficult. One way to help kids is simply to draw attention to the people, programs, and services that are working and doing a good job for children today.

In my home State of Washington, for example, we are helping children to be more healthy in a variety of ways.

In Ellensburg and in Coupeville, through a program now running in four counties that I hope one day goes statewide, parents of young children get two important services that help them make the best decisions for their children.

First, any parent of a child between birth and age 6 gets special mailings and health information sent to their home, including information on well-baby checkups, immunizations, safety, and normal patterns of growth and development. All at no cost to the parents, and all for a total cost of about $10 per child.

Second, parents get reminders and assistance to get the many immunizations their child will need. We know children should be protected from a host of childhood illnesses, from diphtheria and tetanus, and from polio to measles, mumps, and rubella. We also know people are busy, and need reminders, access to affordable vaccines, and lots of information. This program is a good start.

There is also a dental health promotion effort underway in my State. In the past, many dentists' advice to parents has been to bring children in for their first visit about the time they start school, at age 4 or 5. The problem is that many children show up to their first dental visit with decay, gum problems—in many cases so serious that they require dental surgery—because of preventable causes.

The Access to Baby and Child Dentistry [ABDC] program in Spokane, WA, reaches out to families with young children and encourages early dental visits. ABDC dentists remind them to do things like remove baby bottles at the proper age, and not give babies soft drinks or candy bars. In addition, dentists, apply fluoride varnishes and other treatments to baby teeth, and do other clinical procedures to decrease a baby's chances of developing dental problems.

These measum save all of us money in the long run.

Sometimes bringing awareness to a problem is not enough. I mentioned that we need to preserve national standards for children's health. This must happen at the national level.

This Friday, tomorrow, the National Highway Traffic Safety Commission and Prevention magazine will release Prevention's 1996 report on auto safety in America. I hope we all pay attention to their findings. Last year, the report included information on child safety helmets. This year, their report will focus on the things we can do to make automobile travel safer.

Effective national standards for children's health do not have to be some scientific formula. Sometimes it's as easy as retaining a Federal speed limit, or Federal safety regulations. We know that the 55-mile-per-hour speed limit has saved countless children's lives. We know that the automobile industry has made great strides to improve automobile safety. We know air bags improve safety, and that cellular telephone use probably decreases it.

When it comes to the basic safety of our children, it should not depend on which line on a map they just crossed on their family vacation.

As a final note, I want to remind you all that on June 1, the Children's Defense Fund will host Stand for Children, an event in Washington, DC, that will bring Americans together, to show their shared commitment to children. We spend so much time talking about our differences of opinion. We need to respect our opposing view, but get beyond them to common ground and common sense action for children.

I encourage all Americans who can attend this event to do so. It will be a

day to rally around our children, and show them how important they are to us all. This will be a day of fun family activies, and togetherness, and of the power of individual action.

I have heard from many people around the country who cannot attend the event. I encourage you to support those at the Lincoln Memorial in your thoughts and prayers, I encourage every American to do at least one thing to make a difference in the life of a child, and June 1 would be a great place to start. If anyone wants more information on the Stand for Children event they can call 1–800–233–1200.

Anyone who is listening can make it easier for one child to get appropriate health care. Offer to provide child care or a ride to the clinic, so someone's child can go to a medical check-up or get immunized.

We all can help prevent health problems to avoid bigger costs later on. Anyone listing can volunteer to distribute information on health screenings, immunizations, or blood drives. Lead a safety committees or fitness day at the local park, school, or community center. Help to find or build affordable housing in your area.

You can stay educated and prepared about children's health. Read about childhood illnesses. Make a personal medical history for each member of your family, so you can be ready in the case of illness or trauma.

Nothing is more vital to a child than her basic health. A child must be healthy to learn well. She must be educated to participate and contribute to our society. But we must start with making sure we do everything we can for her basic well-being.

You will see me doing my best for the health of our children. Please join me in this critical effort.

FOREIGN OIL CONSUMED BY THE UNITED STATES? HERE'S THE WEEKLY BOX SCORE

Mr. HELMS. Mr. President, the American Petroleum Institute reports that for the week ending May 17, the United States imported 7,782,000 barrels of oil each day, 256,000 barrels less than the 8,038,000 barrels imported during the same week a year ago.

Americans relied on foreign oil for 54.9 percent of their needs last week, and there are no signs that this upward spiral will abate. Before the Persian Gulf war, the United States obtained about 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970's, foreign oil accounted for only 35 percent of America's oil supply.

Anybody else interested in restoring domestic production of oil—by U.S. producers using American workers? Politicians had better ponder the economic calamity certain to occur in America if and when foreign producers shut off our oil supply—or double the already enormous cost of imported oil flowing into the United States—now 7,782,000 barrels a day.

THE RETIREMENT OF CUMBERLAND LAW SCHOOL DEAN PARHAM H. WILLIAMS, JR.

Mr. HEFLIN. Mr. President, the longtime dean of Cumberland Law School of Samford University, Dr. Parham H. Williams, Jr., will retire on June 1, 1996. When he leaves his position at the Birmingham, AL, law school, he will have served a total of 25 years as a law school dean, 14 at the University of Mississippi and 11 at Cumberland. His tenure as a dean is such that his title has virtually become a part of his name. Even his grandchildren call him ''Dean.''

Dean Williams is widely known for his involvement in the legal community and his outstanding performance as an academician. He has strengthened Cumberland's program by recruiting a superb faculty which has added a diversity of talents and ideas. He oversaw the revitalization of the faculty through the development and implementation of sabbatical, promotion, tenure, and governance policies and procedures.

The size of its entering class was decreased by 15 percent at a time when the number of applications increased over 200 percent. As a result, the average admissions criteria have been raised to new heights. The academic excellence of the law school has also been enhanced through initiatives such as increased alumni involvement; the implementation of a broad continuing legal education program; the improvement of the advocacy program; the expansion of foreign study opportunities; the development of joint degree programs; the inauguration of the master of comparative law degree; and the internationalization of the law school by visiting faculty and foreign students.

Since taking over as dean on July 1, 1985, Dean Williams has helped secure a bright future for the law school by overseeing the largest funds development effort in its history. The endowment has increased from less than $1 million to over $4.2 million, resulting in 2 endowed chairs, 25 endowed scholarships, 8 annually-funded scholarships, and 6 special funds endowing lectures and other programs. The stature, beauty, and utility of the law school have been enriched by the construction of the Lucille Stewart Beeson Law Library.

Dean Williams earned both his bachelor of arts and law degrees at the University of Mississippi, in 1953 and 1954, respectively. In 1965, he received his LL.M. degree from Yale University. Before coming to Cumberland, the alma mater of both his parents—class of 1925—he served as a district attorney in his native Mississippi and as an associate professor, professor, associate dean, and dean at the University of Mississippi School of Law. His academic specialties are evidence, criminal procedure, criminal law, and professional responsibility.

The author of 9 law review articles and co-author of ''Mississippi Evidence,'' he has served as a commissioner of the law enforcement assistance commission and the national conference of commissioners of uniform State laws. He was chairman of the Governor's blue ribbon committee on corrections; the Governor's task force on tort reform; and the Mississippi Supreme Court advisory committee on rules.

As Dean Parham H. Williams, Jr., retires, he will be remembered for bringing the Cumberland Law School into the life of Birmingham and in Alabama more than ever before. His polished, Southern, and unfailingly pleasant manner have guided his actions and helped create an image of civility and learning. I am proud to congratulate him for the impeccable job he has done and for the outstanding legacy he leaves behind.

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

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

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF PROPOSED LEGISLATION ENTITLED ''THE RETIREMENT SAVINGS AND SECURITY ACT''—MESSAGE FROM THE PRESIDENT—PM 150

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance.

To the Congress of the United States:

I am pleased to transmit today for the consideration of the Congress the ''Retirement Savings and Security Act.'' This legislation is designed to empower all Americans to save for their retirement by expanding pension coverage, increasing portability, and enhancing security. By using both employer and individual tax-advantaged retirement savings programs, Americans can benefit from the opportunities of our changing economy while assuring themselves and their families greater security for the future. A general explanation of the Act accompanies this transmittal.

Today, over 58 million American public and private sector workers are covered by employer-sponsored pension or retirement savings plans. Millions more have been able to save through Individual Retirement Accounts (IRAs). The Retirement Savings and Security Act would help expand pensions to the over 51 million American

private-sector workers—including over three-quarters of the workers in small businesses—who are not covered by an employer-sponsored pension or retirement savings program and need both the opportunity and encouragement to start saving. Women particularly need this expanded coverage: fewer than one-third of all women retirees who are 55 or older receive pension benefits, compared with 55 percent of male retirees.

The Act would also help the many workers who participate in pension plans to continue to save when they change jobs. It would reassure all workers who save through employer-sponsored plans that the money they have saved, as well as that put aside by employers on their behalf, will be there when they need it.

The Retirement Savings and Security Act would:

—Establish a simple new small business 401(k)-type plan—the National Employee Savings Trust (NEST)—and simplify complex pension laws. The NEST is specifically designed to ensure participation by low- and moderate-wage workers, who will be able to save up to $5,000 per year tax-deferred, plus receive employer contributions toward retirement. The Act would encourage employers of all sizes to cover employees under retirement plans, and it would enable employers to put more money into benefits and less into paying lawyers, accountants, consultants, and actuaries.

—Increase the ability of workers to save for retirement from their first day on the job by removing barriers to pension portability. In particular, employers would be encouraged no longer to require a 1-year wait before employees can contribute to their pension plans. The Federal Government would set the example for other employers by allowing its new employees to begin saving through the Thrift Savings Plan when they are hired, rather than having to wait up to a year. In addition, the Act would reduce from 10 to 5 years the time those participating in multiemployer plans—union plans where workers move from job to job—must work to receive vested benefits. It would also help ensure that returning veterans retain pension benefits and that workers receive their retirement savings even when a previous employer is no longer in existence.

—Expand eligibility for tax-deductible IRAs to 20 million more families. In addition, the Act would encourage savings by making the use of IRAs more flexible by allowing penalty-free withdrawals for education and training, purchase of a first home, catastrophic medical expenses, and long-term unemployment. It would also provide an additional IRA option that provides tax-free distributions instead of tax-deductible contributions.

—Enhance pension security by protecting the savings of millions of State and local workers from their employer's bankruptcy, as happened in Orange County, California. The Act would (1) require prompt reporting by plan administrators and accountants of any serious and egregious misuse of funds; (2) double the guaranteed benefit for participants in multiemployer plans in the unlikely event such a plan becomes insolvent; and (3) enhance benefits of a surviving spouse and dependents under the Civil Service Retirement System and the Railroad Retirement System.

—Ensure that pension raiding, such as that which drained $20 billion out of retirement funds in the 1980s, never happens again—by retaining the strong current laws preventing such abuses and by requiring periodic reports on reversions by the Secretary of Labor.

Many of the provisions of the Retirement Savings and Security Act are new. In particular, provisions facilitating saving from the first day on the job, in both the private sector and the Federal Government; the doubling of the multi-employer guarantee; and improving benefits for surviving spouses and dependents of participants in the Civil Service Retirement System and the Railroad Retirement System deserve special consideration by the Congress. In addition, many of the provisions and concepts in this Act have been previously proposed by this Administration and have broad bipartisan support.

American workers deserve pension security—as well as a decent wage, lifelong access to high quality education and training, and health security—to take advantage of the opportunities of our growing economy.

I urge the prompt and favorable consideration of this legislative proposal by the Congress.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 23, 1996.*

MESSAGES FROM THE HOUSE

At 12:19 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. 3068. An act to accept the request of the Prairie Island Indian Community to revoke their charter of incorporation issued under the Indian Reorganization Act.

H.R. 3259. An act to authorize appropriations for fiscal year 1997 for intelligence and intelligence-related activities of the United States Government, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 1965. An act to reauthorize the Coastal Zone Management Act of 1972, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore [Mr. THURMOND].

The message further announced that pursuant to section 637(b) of Public Law 104–52 as amended by section 2904 of Public Law 104–134, the Speaker appoints the following Members on the part of the House to the National Commission on Restructuring the Internal Revenue Service: Mr. PORTMAN of Ohio and Mr. MATSUI of California; and as members from private life: Mr. Ernest Dronenberg of California, Mr. Gerry Harkins of Georgia, Mr. Grover Norquist of the District of Columbia, and Mr. George Newstrom of Virginia.

At 4:59 p.m., a message from the House of Representatives, delivered by Mr. Hayes, one of its reading clerks, announced that the House has agreed to the following concurrent resolution:

S. Con. Res. 60. Concurrent resolution providing for a conditional adjournment or recess of the Senate and the House of Representatives.

MEASURE REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 3068. An act to accept the request of the Prairie Island Indian Community to revoke their charter of incorporation issued under the Indian Reorganization Act; to the Committee on Indian Affairs.

MEASURE PLACED ON THE CALENDAR

The following measure was read the first and second times by unanimous consent and placed on the calendar:

H.R. 3259. An act to authorize appropriations for fiscal year 1997 for intelligence and intelligence-related activities of the United States Government, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2704. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule concerning the amendment to Class D and E2 Airspace and establishment of Class E4 Airspace (RIN 2120–AA66), received on May 13, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2705. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule concerning the establishment of Class E Airspace at San Andreas, CA (RIN 2120–AA66), received on May 13, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2706. A communication from the Director of the Federal Bureau of Prisons, Department of Justice, transmitting, pursuant to law, the report of an interim rule concerning

the amendments of the Bureau of Prisons regulations on institutional management with respect to special administrative measures that may be necessary to prevent acts of violence and terrorism that may be caused by contacts with certain inmates (RIN 1120–AA54), received on May 16, 1996; to the Committee on Judiciary.

EC–2707. A communication from the Director of the Federal Bureau of Prisons, Department of Justice, transmitting, pursuant to law, the report of an interim rule concerning the further amending of an interim rule on Drug Abuse Treatment Programs which allows for consideration of early release of eligible inmates who complete a residential drug abuse treatment program, including a transitional treatment phase (RIN 1120–AA36), received on May 16, 1996; to the Committee on Judiciary.

EC–2708. A communication from the Deputy Associate Administrator for Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of an interim rule concerning the amendment of the General Services Administration Acquisition Regulation for Change 71, Acquisition of Leasehold Interests in Real Property (RIN 3090–AF92), received on May 13, 1996; to the Committee on Governmental Affairs.

EC–2709. A communication from the Executive Director of the Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of a final rule concerning the action adding to the Procurement List services to be furnished by nonprofit agencies employing persons who are blind or have other severe disabilities, received on May 16, 1996; to the Committee on Governmental Affairs.

EC–2710. A communication from the President and Chief Executive Officer, U.S. Enrichment Corporation, transmitting, pursuant to law, the report concerning the management controls and overall internal control framework being adequate and effective, received on May 21, 1996; to the Committee on Governmental Affairs.

EC–2711. A communication from the Chairman of the Cost Accounting Standards Board, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report concerning the Cost Accounting Standards Board, received on May 21, 1996; to the Committee on Governmental Affairs.

EC–2712. A communication from the Chairwoman of the National Mediation Board, transmitting, pursuant to law, the report concerning the agency's accounting systems being in conformance with the principles, standards, and related requirements prescribed by the Comptroller General, received on May 16, 1996; to the Committee on Governmental Affairs.

EC–2713. A communication from the Auditor of the District of Columbia, transmitting, pursuant to law, the report entitled ''Fiscal Year 1995 Annual Report on Advisory Neighborhood Commissions,'' received on May 16, 1996; to the Committee on Governmental Affairs.

EC–2714. A communication from the Chairman of the Federal Mine Safety and Health Review Commission, transmitting, pursuant to law, the report on its internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–2715. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the report entitled ''Federal Employment Reduction Assistance Act of 1996,'' received on May 9, 1996; to the Committee on Governmental Affairs.

EC–2716. A communication from the Acting Administrator of the General Services Administration, transmitting, a draft of proposed legislation to reduce the Government's relocation and travel costs, and to ease administrative burdens while providing equitable reimbursement to employees, received on May 9, 1996; to the Committee on Governmental Affairs.

EC–2717. A communication from the Chairman of the Federal Housing Finance Board, transmitting, pursuant to law, the report on the Board's internal controls and financial management systems in effect during the calendar year 1995; to the Committee on Governmental Affairs.

EC–2718. A communication from the Chairman of the Federal Housing Finance Board, transmitting, pursuant to law, the report concerning the activities and findings of the Office of the Inspector General, received on May 6, 1996; to the Committee on Governmental Affairs.

EC–2719. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the report of a final rule relative to issuing final regulations on alternative forms of annuity (RIN 3206–AG16), received on May 9, 1996; to the Committee on Governmental Affairs.

EC–2720. A communication from the Federal Reserve Employee Benefits System, transmitting, pursuant to law, the 1994 annual report for the Thrift Plan for Employees of the Federal Reserve System, received on May 6, 1996; to the Committee on Governmental Affairs.

EC–2721. A communication from the Regulatory Policy Official, National Archives (College Park), transmitting, pursuant to law, the report of a final rule concerning the revision regulations to require Federal agencies to reimburse NARA for storage of certain records maintained in Federal records centers that have exceeded the authorized disposal date (RIN 3095–AA65), received on May 3, 1996; to the Committee on Governmental Affairs.

EC–2722. A communication from the Executive Director of the Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of a final rule concerning the addition to the Procurement List of a commodity and services to be furnished by nonprofit agencies employing persons who are blind or have other severe disabilities, received on May 8, 1996; to the Committee on Governmental Affairs.

EC–2723. A communication from the Deputy Director of the Office of Personnel Management, transmitting, pursuant to law, the report of a final rule relative to changing survey responsibilities for several appropriated fund Federal Wage System wage areas in recognition of shifting employment patterns among agencies and the need for lead agencies to balance their wage survey workloads throughout the 2-year survey cycle (RIN 3206–AH28), received on May 6, 1996; to the Committee on Governmental Affairs.

EC–2724. A communication from the Director of Personnel Management, transmitting, pursuant to law, the report of an interim rule concerning Federal employee training (RIN 3206–AF99), received on May 9, 1996; to the Committee on Governmental Affairs.

EC–2725. A communication from the Director of the National Legislative Commission, The American Legion, transmitting, pursuant to law, the report on the Commission's internal controls and financial management systems in effect during calendar year 1995; to the Committee on Judiciary.

EC–2726. A communication from the Chairman of the Farm Credit Administration, transmitting, pursuant to law, the annual report of the Administration under the Freedom of Information Act for calendar year 1995; to the Committee on Judiciary.

EC–2727. A communication from the Director of the Federal Bureau of Prisons, Department of Justice, transmitting, pursuant to law, the report of an interim rule concerning the adoption of regulations on the operation of the Intensive Confinement Center Program (RIN 1120–AA11), received on May 13, 1996; to the Committee on Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 39. A bill to amend the Magnuson Fishery Conservation and Management Act to authorize appropriations, to provide for sustainable fisheries, and for other purposes (Rept. No. 104–276).

By Mr. STEVENS, from the Committee on Governmental Affairs, without amendment:

H.R. 1880. A bill to designate the United States Post Office building located at 102 South McLean, Lincoln, Illinois, as the ''Edward Madigan Post Office Building''.

H.R. 2262. A bill to designate the United States Post Office building located at 218 North Alston Street in Foley, Alabama, as the ''Holk Post Office Building.''

H.R. 2704. A bill to provide that the United States Post Office building that is to be located on the 2600 block of East 75th Street in Chicago, Illinois, shall be known and designated as the ''Charles A. Hayes Post Office Building.''

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

H.R. 2980. A bill to amend title 18, United States Code, with respect to stalking.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

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

J. Rene Josey, of South Carolina, to be U.S. Attorney for the District of South Carolina for the term of 4 years.

(The above nomination was reported with the recommendation that he be confirmed.)

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. BAUCUS:

S. 1796. A bill to amend the Tariff Act of 1930 to permit merchandise purchased in a duty-free sales enterprise to be exempt from duty under certain circumstances; to the Committee on Finance.

By Mr. LEVIN (for himself and Mr. ABRAHAM):

S. 1797. A bill to revise the requirements for procurement of products of Federal Prison Industries to meet needs of Federal agencies, and for other purposes; to the Committee on the Judiciary.

By Mr. FEINGOLD:

S. 1798. A bill to amend the Reclamation Reform Act of 1982 to clarify the acreage limitations and incorporate a means test for certain farm operations, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Ms. SNOWE (for herself, Ms. MIKULSKI, Mrs. FEINSTEIN, Mrs. MURRAY, Ms. MOSELEY-BRAUN, and Mr. KERRY):

S. 1799. A bill to promote greater equity in the delivery of health care services to American women through expanded research on women's health issues and through improved access to health care services, including preventive health services; to the Committee on Labor and Human Resources.

By Mr. D'AMATO (for himself, Mr. KERRY, Mrs. BOXER, Mr. BRYAN, Ms. MOSELEY-BRAUN, and Mrs. MURRAY):

S. 1800. A bill to amend the Electronic Fund Transfer Act to limit fees charged by financial institutions for the use of automatic teller machines, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MCCAIN:

S. 1801. A bill to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal year 1997, to reform the Federal Aviation Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. THOMAS (for himself and Mr. SIMPSON):

S. 1802. A bill to direct the Secretary of the Interior to convey certain property containing a fish and wildlife facility to the State of Wyoming, and for other purposes; to the Committee on Environment and Public Works.

By Mr. GRASSLEY:

S. 1803. A bill to provide relief to agricultural producers who grant easements to, or owned or operated land condemned by, the Secretary of the Army for flooding losses caused by water retention at the dam site at Lake Redrock, Iowa, to the extent that the actual losses exceed the estimate of the Secretary, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MURKOWSKI (for himself, Mr. JOHNSTON, and Mr. AKAKA):

S. 1804. A bill to make technical and other changes to the laws dealing with the Territories and Freely Associated States of the United States; to the Committee on Energy and Natural Resources.

By Mr. GRAMS:

S. 1805. A bill to provide for the management of Voyageurs National Park, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. D'AMATO (for himself, Mr. DODD, and Mr. FRIST):

S. 1806. A bill to amend the Federal Food, Drug, and Cosmetic Act to clarify that any dietary supplement that claims to produce euphoria, heightened awareness or similar mental or psychological effects shall be treated as a drug under the Act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 1807. A bill to amend the Alaska Native Claims Settlement Act, regarding the Kake Tribal Corporation public interest land exchange; to the Committee on Energy and Natural Resources.

By Mr. MURKOWSKI (for himself and Mr. JOHNSTON):

S. 1808. A bill to amend the Act of October 15, 1966 (80 stat. 915), as amended, establishing a program for the preservation of additional historic property throughout the Nation, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MURKOWSKI:

S. 1809. A bill entitled the ''Aleutian World War II National Historic Areas Act of 1996''; to the Committee on Energy and Natural Resources.

By Mr. GORTON (for himself and Mrs. MURRAY):

S. 1810. A bill to expand the boundary of the Snoqualmie National Forest, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MACK (for himself, Mr. BRADLEY, Mr. ROTH, Mr. LAUTENBERG, and Mr. BIDEN):

S. 1811. A bill to amend the Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'' to confirm and clarify the authority and responsibility of the Secretary of the Army, acting through the Chief of Engineers, to promote and carry out shore protection projects, including beach nourishment projects, and for other purposes; to the Committee on Environment and Public Works.

By Mr. GRAHAM:

S. 1812. A bill to provide for the liquidation or replication of certain frozen concentrated orange juice entries to correct an error that was made in connection with the original liquidation; to the Committee on Finance.

By Mr. HELMS (for himself and Mr. GRASSLEY):

S. 1813. A bill to reform the coastwise, intercoastal, and noncontiguous trade shipping laws, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. GRAHAM (for himself and Mr. MACK):

S. 1814. A bill to provide for liquidation or reliquidation of certain television sets to correct an error that was made in connection with the original liquidation; to the Committee on Finance.

By Mr. GRAMM (for himself, Mr. D'AMATO, Mr. DODD, Mr. BRYAN, and Ms. MOSELEY-BRAUN):

S. 1815. A bill to provide for improved regulation of the securities markets, eliminate excess securities fees, reduce the costs of investing, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BOND (for himself, Mr. COATS, Mr. ABRAHAM, Mr. GRAMM, Mr. ASHCROFT, Mr. CRAIG, Mr. COVERDELL, Mr. GRASSLEY, Mr. GREGG, Mr. SANTORUM, Mr. FAIRCLOTH, and Mr. NICKLES):

S. 1816. A bill to expedite waiver approval for the ''Wisconsin Works'' plan, and for other purposes; to the Committee on Finance.

By Mr. GRASSLEY (for himself, Mr. HATCH, Mrs. KASSEBAUM, and Mr. BOND):

S. 1817. A bill to limit the authority of Federal courts to fashion remedies that require local jurisdictions to assess, levy, or collect taxes, and for other purposes; to the Committee on the Judiciary.

By Mr. DASCHLE (for himself, Mr. BRYAN, Mr. DODD, Mr. KENNEDY, Mr. LEAHY, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. ROCKEFELLER, and Mr. SIMON) (by request):

S. 1818. A bill to amend the Employee Retirement Income Security Act of 1974 to provide for retirement savings and security; to the Committee on Labor and Human Resources.

S. 1819. A bill to amend the Railroad Retirement Act of 1974 to provide for retirement savings and security; to the Committee on Labor and Human Resources.

S. 1820. A bill to amend title 5 of the United States Code to provide for retirement savings and security; to the Committee on Governmental Affairs.

S. 1821. A bill to amend the Internal Revenue Code of 1986 to provide for retirement savings and security; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE (for himself and Mr. DASCHLE):

S. Res. 256. A resolution to authorize the production of records by the Select Committee on Intelligence; considered and agreed to.

By Mr. LOTT:

S. Con. Res. 60. A concurrent resolution providing for a conditional adjournment or recess of the Senate and the House of Representatives; considered and agreed to.

By Mr. DOLE:

S. Con. Res. 61. A concurrent resolution commending the Americans who served the United States during the period known as the Cold War; to the Committee on Armed Services.

By Mr. PRESSLER:

S. Con. Res. 62. A concurrent resolution expressing the sense of the Congress that the Secretary of the Navy should name the first of the fleet of the new attack submarines of the Navy the ''South Dakota.''; to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LEVIN (for himself and Mr. ABRAHAM):

S. 1797. A bill to revise the requirements for procurement of products of Federal Prison Industries to meet needs of Federal agencies, and for other purposes; to the Committee on the Judiciary.

THE FEDERAL PRISON INDUSTRIES COMPETITION IN CONTRACTING ACT

• Mr. LEVIN. Mr. President, I am pleased to introduce, with Senator ABRAHAM, the Federal Prison Industries Competition in Contracting Act. This bill, if enacted, would eliminate the requirement for Federal agencies to purchase products made by Federal Prison Industries and require that FPI to compete commercially for Federal contracts. It would implement a key recommendation of the Vice President's National Performance Review, which concluded that we should ''Take away the Federal Prison Industries' status as a mandatory source of Federal supplies and require it to compete commercially for Federal agencies' business.'' Most importantly, it would ensure that the taxpayers get the best possible value for their Federal procurement dollars.

Mr. President, the Director of Federal Prison Industries, Mr. Steve Schwalb, told me earlier this year that his agency is fully capable of competing with private industry for Federal contracts. Indeed, FPI would have a significant advantage in any such head-to-head competition: FPI pays inmates only $1.35 an hour, less than a third of the minimum wage and a small fraction of the wage paid to most private sector workers in competing industries.

The taxpayers already provide a direct subsidy Federal Prison Industries products by picking up the cost of feeding, clothing, and housing the inmates

who provide the labor. There is no reason why we should provide an indirect subsidy as well, by requiring Federal agencies to purchase products from FPI even when they are more expensive and of a lower quality than competing commercial items.

Despite Mr. Schwalb's statement that Federal Prison Industries is capable of competing with the private sector, FPI remains unwilling to do so. The reason is obvious: it is much easier to gain market share by fiat than it is to compete for business. Under current law, FPI need not offer the best product at the best price; it is sufficient for it to offer an adequate product at an adequate price, and insist upon its right to make the sale. Indeed, FPI currently advertises that it offers Federal agencies ''ease in purchasing'' through ''a procurement with no bidding necessary.'' The result of the FPI's status as a mandatory source is not unlike the result of other sole-source contracting: the taxpayers frequently pay too much and receive an inferior product for their money.

Mr. President, I do not consider myself to be an enemy of Federal Prison Industries. I am a strong supporter of the idea of putting Federal inmates to work. I understand that a strong prison work program not only reduces inmate idleness and prison disruption, but can also help build a work ethic, provide job skills, and enable prisoners to return to product society upon their release.

However, I believe that prison work must be conducted in a manner that is sensitive to the need not to unfairly eliminate the jobs of hard-working citizens who have not committed crimes. FPI will be able to achieve this result only if it diversifies its product lines and avoids the temptation to build its work force by continuing to displace private sector jobs in its traditional lines of work. For this reason, I have been working since 1990 to try to help Federal Prison Industries to identify new markets that it can expand into without displacing private sector jobs. I had hoped.

In 1990, the House Appropriations Committee requested a study to identify new opportunities for FPI to meet its growth requirements, assess FPI's impact on private sector businesses and labor, and evaluate the need for changes to FPI's laws and mandates. That study, conducted by Deloitte & Touche, concluded that FPI should meet its growth needs by using new approaches and new markets, not by expanding its production in traditional industries. The Deloitte & Touch study concluded:

> FPI needs to maintain sales in industries that produce products such as traditional furniture and furnishings, apparel and textile products, and electronic assemblies to maintain inmate employment during the transition.
>
> These industries should not be expanded, and FPI should limit its market shares to current levels.

I followed up on that report by meeting with Federal Prison Industries officials and participating in a summit process, sponsored by the Brookings Institute, designed to develop alternative growth strategies for FPI. The summit process resulted in two suggested areas for growth: First, entering partnerships with private sector companies to replace offshore labor; and second, entering the recycling business in areas such as mattresses and electrical motors.

In January 1994, I urged FPI to move quickly to implement these recommendations and develop new markets. At that time, I wrote to Kathleen M. Hawk, the Director of the Bureau of Federal Prisons, as follows:

> As you know, I am supportive of FPI's role in keeping inmates occupied and teaching them a work ethic and job skills. However, FPI's continued market share growth in the government furniture market has had an unfair and disproportionate impact on that particular sector. In order to take pressure off of such traditional industries where FPI has focused, FPI should cap its market share and diversify its activities away from these traditional industries and into alternative growth strategies.
>
> I am alarmed that FPI continues to increase its share of government purchases of furniture. The 1991 Deloitte and Touche study recommended that FPI limit its industry market share to current levels in traditional industries. It would be a welcome sign of goodwill in this ''summit'' process if FPI were to cap its market share in the furniture industry while aggressively pursuing acceptable alternative growth strategies.

Unfortunately, Federal Prison Industries has chosen to take the exact opposite course of action. Earlier this year, FPI acted unilaterally to virtually double its furniture sales from $70 million to $130 million and from 15 percent of the Federal market to 25 percent of the Federal market, over the next 5 years. In direct contravention of the Deloitte & Touche recommendations, FPI has announced its intention to undertake similar market share increases in other traditional product lines, such as work clothing and protective clothing.

In defense of this action FPI contends that it will not place an undue burden on the private sector because most firms within the industry are not heavily involved in the Federal market.

Mr. President, Federal Prison Industries cannot have it both ways. If they are providing a substantial number of jobs to inmates, then they must be displacing a substantial number of jobs in the private sector. A substantial increase in FPI's business means a similar decrease in U.S. private sector business—unless it is displacing imports, which is what FPI should be doing. Instead of diversifying as recommended by the Deloitte & Touche study and the Brookings summit, FPI is going back to the same well yet again, and taking it out of the hide of the same traditional industries.

Mr. President, this is the easy way out, but it isn't the right way for FPI, it isn't the right way for the private sector workers whose jobs FPI is taking, and it isn't the right way for the taxpayer, who will continue to pay more and get less as a result of the mandatory preference for FPI goods. We need to have jobs for prisoners, but can no longer afford to allow FPI to designate whose jobs it will take, and when it will take them. Competition will be better for FPI, better for the taxpayer, and better for working men and women around the country.●

Mr. ABRAHAM. Mr. President, I am very pleased to join with my distinguished colleague from Michigan in sponsoring this legislation. I think that Federal Prison Industries plays an extremely valuable role in giving prisoners something useful to do with their time and helping them to develop the self-discipline and other virtues that enable people outside of prison to lead productive lives. I am convinced, however, that these same goals can be accomplished within the parameters set by this legislation. I also see no reason why the law abiding owners of small businesses and the workers they employ should be deprived of any opportunity to bid for a class of government contracts in favor of FPI. Finally, I appreciate Senator LEVIN's acceptance of my suggestion to include section 2, which I believe provides useful encouragement to FPI to try to concentrate its expansion efforts in the direction of goods that the Government presently acquires by importing them.

By Mr. FEINGOLD:

S. 1798. A bill to amend the Reclamation Reform Act of 1982 to clarify the acreage limitations and incorporate a means test for certain farm operations, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE IRRIGATION SUBSIDY REDUCTION ACT OF 1996

Mr. FEINGOLD. Mr. President, I am introducing today a new measure to curb the receipt of Federal irrigation subsidies by large agribusiness interests. I am introducing legislation in this area as a deficit reduction measure because I believe that the Federal Government needs to scrutinize carefully all forms of assistance it provides in these times of fiscal constraint. I am also prompted to act in this area, Mr. President, because the Federal Government has been unable to correct fundamental abuses of reclamation law that cost the taxpayer millions of dollars every year.

In 1901, President Theodore Roosevelt proposed legislation, which came to be known as the Reclamation Act, to encourage development of family farms throughout the western United States. The idea was to provide needed water for areas that were otherwise dry and give small farms—those no larger than 160 acres—a chance, with a helping hand from the Federal Government, to establish themselves.

Under the Reclamation Reform Act of 1982, Congress acted to expand the size of the farms that could receive subsidized water to 960 acres. The RRA of 1982 expressly prohibits farms that

exceed 960 acres in size from receiving Federally-subsidized water. These restrictions were added to the Reclamation law to close loopholes through which Federal subsidies were flowing to large agribusinesses rather than the small family farmers that Reclamation projects were designed to serve. Agribusinesses were expected to pay full cost for all water received on land in excess of their 960-acre entitlement. Despite the express mandate of Congress, regulations promulgated under the Reclamation Reform Act of 1982 have failed to keep big agricultural water users from receiving Federal subsidies. The General Accounting Office and the Inspector General of the Department of the Interior continue to find that the acreage limits established in law are circumvented through the creation of arrangements such as farming trusts. These trusts, which in total acreage well exceed the 960 acre limit, are comprised of smaller units that are not subject to the reclamation acreage cap. These smaller units are farmed under a single management agreement often through a combination of leasing and ownership.

Three years ago, as part of a settlement of a suit with the Natural Resources Defense Council, the Bureau of Reclamation agreed to propose new regulations under the reclamation program. At the beginning of February 1996, the Administration issued its final environmental impact statement [EIS] on its proposed regulations. On March 8, 1996 I joined with the Senator from New Jersey [Mr. BRADLEY], the Senator from New Hampshire (Mr. GREGG) and others in writing to the President to express our concern and disappointment that these new regulations would continue to allow the 960-acre loophole to be exploited. Indeed, neither the Bureau's ''preferred option'' for the regulation, nor any of the alternatives they describe in the EIS, would act to curb irrigation water abuses by these agribusiness trusts.

Last week, I received a response to the letter I joined in sending to the Department of the Interior. The letter states, ''Last spring's release of a proposed rule making and draft EIS prompted nearly 400 letters and 8 public hearings on these complex issues during the comment period. The FEIS alternative responds to many of the comments we received.'' Mr. President, this letter specifically does not respond to the concerns that I, the Senator from New Jersey [Mr. BRADLEY] and others raised. Now is the time, in light of the Department's inability to correct this problem, to look back to the statute and attempt to correct the costly loopholes that it facilitates.

Presently, according to the Bureau of Reclamation, there are 80 such trusts receiving subsidized water on more than 738,000 acres of land, or about 10 percent of the land for which the Bureau of Reclamation provides water. In a 1989 GAO report, the activities of six of these trusts were fully explored. According to GAO, one 12,345 acre cotton farm—roughly 20 square miles—operating under a single partnership, was reorganized to avoid the 960-acre limitation into 15 separate land holdings through 18 partnerships, 24 corporations, and 11 trusts which were all operated as one large unit. A seventh very large trust was the sole topic of a 1990 GAO report. The Westhaven trust is a 23,238-acre farming operation in California's Central Valley. It was formed for the benefit of 326 salaried employees of the J.G. Boswell Company. Boswell, GAO found, had taken advantage of section 214 of the RRA, which exempts from its 960-acre limit land held for beneficiaries by a trustee in a fiduciary capacity, as long as no single beneficiary's interest exceeds the law's ownership limits. The RRA, as I have mentioned, does not preclude multiple land holdings from being operated collectively under a trust as one farm while qualifying individually for federally subsidized water. Accordingly, the J.G. Boswell Company reorganized 23,238 acres it held as the Boston Ranch by selling them to the Westhaven Trust, with the land holdings attributed to each beneficiary being eligible to receive federally subsidized water.

Before the land was sold to Westhaven Trust, the J.G. Boswell Company operated the acreage as one large farm and paid full cost for the Federal irrigation water delivered for the 18-month period ending in May 1989. When the trust bought the land, due to the loopholes in the law, the entire acreage became eligible to receive federally subsidized water because the land holdings attributed to the 326 trust beneficiaries range from 21 acres to 547 acres—all well under the 960-acre limit.

In the six cases the GAO reviewed in 1989, owners or lessees paid a total of about $1.3 million less in 1987 for Federal water then they would have paid if their collective land holdings were considered as large farms subject to the Reclamation Act acreage limits. Had Westhaven trust been required to pay full cost, GAO estimated in 1990, it would have paid $2 million more for its water. The GAO also found, in all seven of these cases, that reduced revenues are likely to continue unless Congress amends the Reclamation Act to close the loopholes allowing benefits for trusts.

The legislation that I am introducing combines various elements of proposals introduced during previous attempts by other members of Congress to close loopholes in the 1982 legislation and to impose a $500,000 means test. This new approach limits the amount of subsidized irrigation water delivered to any operation in excess of the 960-acre limit which claimed $500,000 or more in gross income, as reported on their most recent IRS tax form. If the $500,000 threshold were exceeded, an income ratio would be used to determine how much of the water should be delivered to the user at the full-cost rate, and how much at the below-cost rate. For example, if a 961-acre operation earned $1 million dollars, a ratio of $500,000 (the means test value) divided by their gross income would determine the full cost rate, thus the water user would pay the full cost rate on half of their acreage and the below cost rate on the remaining half.

This means testing proposal was profiled in this year's ''Green Scissors'' report, written by Friends of the Earth and Taxpayers for Common Sense and supported by 21 other environmental and consumer groups, including groups like the Concord Coalition, the Progressive Policy Institute. The premise of the report is that there are a number of subsidies and projects, totaling $39 billion dollars in all, that could be cut to both reduce the deficit and benefit the environment. This report coalesces what I and many others in the Senate have long known, we must be diligent in eliminating practices that can no longer be justified in light of our enormous annual deficit and national debt. The ''Green Scissors'' recommendation on means testing water subsidies indicates that if a test is successful in reducing subsidy payments to the highest grossing 10 percent of farms, then the Federal Government would recover at least $440 million per year, or at least $2.2 billion over 5 years.

The measure I introduce today is my third legislative effort in the area of irrigation subsidies, all of which have been profiled in the ''Green Scissors'' report. In February of 1995, I introduced two related pieces of legislation aimed at reducing double dipping for irrigation water subsidies that cost the Federal taxpayers millions of dollars each year. I hope that other Members will join me in sponsoring these efforts, as elimination of western water subsidies, and a wide range of reclamation subsidies, should be pursued as legitimate deficit reduction opportunities.

When countless Federal program are subjected to various types of means tests to limit benefits to those who truly need assistance, it makes little sense to continue to allow large business interests to dip into a program intended to help small entities struggling to survive. Taxpayers have legitimate concerns when they learn that their hard-earned tax dollars are being expended to assist large corporate interests in select regions of the country who benefit from these loopholes. The Federal Water Program was simply never intended to benefit these large interests.

In conclusion, Mr. President, it is clear that the conflicting policies of the Federal Government in this area are in need of reform, and if Federal agencies cannot be diligent in curbing this corporate welfare administratively, Congress should act. Large agribusinesses should not be able to continue to soak the taxpayers. We should act to close these loopholes as soon as possible. I ask unanimous consent that

the text of the measure be printed in the RECORD.

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

S. 1798

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Irrigation Subsidy Reduction Act of 1996''.

SEC. 2. FINDINGS.

Congress finds that—

(1) the Federal reclamation program has been in existence for over 90 years, with an estimated taxpayer investment of over $70,000,000,000;

(2) the program has had and continues to have an enormous effect on the water resources and aquatic environments of the western States;

(3) irrigation water made available from Federal water projects in the West is a very valuable resource for which there are increasing and competing demands;

(4) the justification for providing water at less than full cost was to benefit and promote the development of small family farms and exclude large corporate farms, but this purpose has been frustrated over the years due to inadequate implementation of subsidy and acreage limits;

(5) below-cost water prices tend to encourage excessive use of scarce water supplies in the arid regions of the West, and reasonable price increases to the wealthiest western farmers would provide an economic incentive for greater water conservation;

(6) the Federal Government has increasingly applied eligibility tests based on income for Federal entitlement and subsidy programs, measures that are consistent with the historic approach of the reclamation program's acreage limitations that seek to limit water subsidies to smaller farms; and

(7) including a means test based on gross income in the reclamation program will increase the effectiveness of carrying out the family farm goals of the Federal reclamation laws.

SEC. 3. AMENDMENTS.

(a) DEFINITIONS.—Section 202 of the Reclamation Reform Act of 1982 (43 U.S.C. 390bb) is amended—

(1) by redesignating paragraphs (7), (8), (9), (10), and (11) as paragraphs (9), (10), (11), (12), and (13), respectively;

(2) in paragraph (6) by striking ''owned or operated under a lease which'' and inserting ''owned, leased, or operated by an individual or legal entity and which'';

(3) by inserting after paragraph (6) the following:

''(7) LEGAL ENTITY.—The term 'legal entity' includes a corporation, association, partnership, trust, joint tenancy, or tenancy in common, or any other entity that owns, leases, or operates a farm operation for the benefit of more than 1 individual under any form of agreement or arrangement.

''(8) OPERATOR.—

''(A) IN GENERAL.—The term 'operator'—

''(i) means an individual or legal entity that operates a single farm operation on a parcel (or parcel) of land that is owned or leased by another person (or persons) under any form of agreement or arrangement (or agreements or arrangements); and

''(ii) if the individual or legal entity—

''(I) is an employee of an individual or legal entity, includes the individual or legal entity; or

''(II) is a legal entity that controls, is controlled by, or is under common control with another legal entity, includes each such other legal entity.

''(B) OPERATION OF A FARM OPERATION.—For the purposes of subparagraph (A), an individual or legal entity shall be considered to operate a farm operation if the individual or legal entity is the person that performs the greatest proportion of the decisionmaking for and supervision of the agricultural enterprise on land served with irrigation water.''; and

(4) by adding at the end the following:

''(14) SINGLE FARM OPERATION.—

''(A) IN GENERAL.—The term 'single farm operation' means the total acreage of land served with irrigation water for which an individual or legal entity is the operator.

''(B) RULES FOR DETERMINING WHETHER SEPARATE PARCELS ARE OPERATED AS A SINGLE FARM OPERATION.—

''(i) EQUIPMENT- AND LABOR-SHARING ACTIVITIES.—The conduct of equipment- and labor-sharing activities on separate parcels of land by separate individuals or legal entities shall not by itself serve as a basis for concluding that the farming operations of the individuals or legal entities constitute a single farm operation.

''(ii) PERFORMANCE OF CERTAIN SERVICES.—The performance by an individual or legal entity of an agricultural chemical application, pruning, or harvesting for a farm operation on a parcel of land shall not by itself serve as a basis for concluding that the farm operation on that parcel of land is part of a single farm operation operated by the individual or entity on other parcels of land.''.

(b) IDENTIFICATION OF OWNERS, LESSEES, AND OPERATORS AND OF SINGLE FARM OPERATIONS.—The Reclamation Reform Act of 1982 (43 U.S.C. 39aa et seq.) is amended by inserting after section 201 the following:

''SEC. 201A. IDENTIFICATION OF OWNERS, LESSEES, AND OPERATORS AND OF SINGLE FARM OPERATIONS.

''(a) IN GENERAL.—Subject to subsection (b), for each parcel of land to which irrigation water is delivered or proposed to be delivered, the Secretary shall identify a single individual or legal entity as the owner, lessee, or operator.

''(b) SHARED DECISIONMAKING AND SUPERVISION.—If the Secretary determines that no single individual or legal entity is the owner, lessee, or other individual that performs the greatest proportion of decisionmaking for and supervision of the agricultural enterprise on a parcel of land—

''(1) all individuals and legal entities that own, lease, or perform a proportion of decisionmaking and supervision that is equal as among themselves but greater than the proportion performed by any other individual or legal entity shall be considered jointly to be the owner, lessee, or operator; and

''(2) all parcels of land of which any such individual or legal entity is the owner, lessee, or operator shall be considered to be part of the single farm operation of the owner, lessee, or operator identified under subsection (1).

(c) PRICING.—Section 205 of the Reclamation Reform Act of 1982 (43 U.S.C. 390ee) is amended by adding at the end the following:

''(d) SINGLE FARM OPERATIONS GENERATING MORE THAN $500,000 IN GROSS FARM INCOME.—

''(1) IN GENERAL.—Notwithstanding subsections (a), (b), and (c), in the case of—

''(A) a qualified recipient that reports gross farm income from a single farm operation in excess of $500,000 for a taxable year; or

''(B) a limited recipient that received irrigation water on or before October 1, 1981, and that reports gross farm income from a single farm operation in excess of $500,000 for a taxable year;

irrigation water may be delivered to the single farm operation of the qualified recipient or limited recipient at less than full cost to a number of acres that does not exceed the number of acres determined under paragraph (2).

''(2) MAXIMUM NUMBER OF ACRES TO WHICH IRRIGATION WATER MAY BE DELIVERED AT LESS THAN FULL COST.—The number of acres determined under this subparagraph is the number equal to the number of acres of the single farm operation multiplied by a fraction, the numerator of which is $500,000 and the denominator of which is the amount of gross farm income reported by the qualified recipient or limited recipient in the most recent taxable year.

''(3) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—The $500,000 amount under paragraphs (1) and (2) for any taxable year beginning in a calendar year after 1997 shall be equal to the product of—

''(i) $500,000, multiplied by

''(ii) the inflation adjustment factor for the taxable year.

''(B) INFLATION ADJUSTMENT FACTOR.—The term 'inflation adjustment factor' means, with respect to any calendar year, a fraction the numerator of which is the GDP implicit price deflator for the preceding calendar year and the denominator of which is the GDP implicit price deflator for 1996. Not later than April 1 of any calendar year, the Secretary shall publish the inflation adjustment factor for the preceding calendar year.

''(C) GDP IMPLICIT PRICE DEFLATOR.—For purposes of subparagraph (B), the term 'GDP implicit price deflator' means the first revision of the implicit price deflator for the gross domestic product as computed and published by the Secretary of Commerce.

''(D) ROUNDING.—If any increase determined under subparagraph (A) is not a multiple of $100, the increase shall be rounded to the next lowest multiple of $100.''.

(d) CERTIFICATION OF COMPLIANCE.—Section 206 of the Reclamation Reform Act of 1982 (43 U.S.C. 390ff) is amended to read as follows:

''SEC. 206. CERTIFICATION OF COMPLIANCE.

''(a) IN GENERAL.—As a condition to the receipt of irrigation water for land in a district that has a contract described in section 203, each owner, lessee, or operator in the district shall furnish the district, in a form prescribed by the Secretary, a certificate that the owner, lessee, or operator is in compliance with this title, including a statement of the number of acres owned, leased, or operated, the terms of any lease or agreement pertaining to the operation of a farm operation, and, in the case of a lessee or operator, a certification that the rent or other fees paid reflect the reasonable value of the irrigation water to the productivity of the land.

''(b) DOCUMENTATION.—The Secretary may require a lessee or operator to submit for the Secretary's examination—

''(1) a complete copy of any lease or other agreement executed by each of the parties to the lease or other agreement; and

''(2) a copy of the return of income tax imposed by chapter 1 of the Internal Revenue Code of 1986 for any taxable year in which the single farm operation of the lessee or operator received irrigation water at less than full cost.''.

(e) TRUSTS.—Section 214 of the Reclamation Reform Act of 1982 (43 U.S.C. 390nn) is repealed.

(f) ADMINISTRATIVE PROVISIONS.—

(1) PENALTIES.—Section 224(c) of the Reclamation Reform Act of 1982 (43 U.S.C. 390ww(c)) is amended—

(A) by striking ''(c) The Secretary'' and inserting the following:

''(c) REGULATIONS; DATA COLLECTION; PENALTIES.—

''(1) REGULATIONS; DATA COLLECTION.—The Secretary''; and

(B) by adding at the end the following:

''(2) PENALTIES.—Notwithstanding any other provision of law, the Secretary shall establish appropriate and effective penalties for failure to comply with any provision of this Act or any regulation issued under this Act.''.

(2) INTEREST.—Section 224(i) of the Reclamation Reform Act of 1982 (43 U.S.C. 390ww(i)) is amended by striking the last sentence and inserting the following: ''The interest rate applicable to underpayments shall be equal to the rate applicable to expenditures under section 202(3)(C).''.

(g) REPORTING.—Section 228 of the Reclamation Reform Act of 1982 (43 U.S.C. 390zz) is amended by inserting ''operator or'' before ''contracting entity'' each place it appears.

(h) MEMORANDUM OF UNDERSTANDING.—The Reclamation Reform Act of 1982 (43 U.S.C. 390aa et seq.) is amended—

(1) by redesignating sections 229 and 230 as sections 230 and 231; and

(2) by inserting after section 228 the following:

''SEC. 229. MEMORANDUM OF UNDERSTANDING.

''The Secretary, the Secretary of the Treasury, and the Secretary of Agriculture shall enter into a memorandum of understanding or other appropriate instrument to permit the Secretary, notwithstanding section 6103 of the Internal Revenue Code of 1986, to have access to and use of available information collected or maintained by the Department of the Treasury and the Department of Agriculture that would aid enforcement of the ownership and pricing limitations of Federal reclamation law.''.

By Ms. SNOWE (for herself, Ms. MIKULSKI, Mrs. FEINSTEIN, Mrs. MURRAY and Ms. MOSELEY-BRAUN):

S. 1799. A bill to promote greater equity in the delivery of health care services to American women through expanded research on women's health issues and through improved access to health care services, including preventive health services; to the Committee on Labor and Human Resources.

WOMEN'S HEALTH EQUITY ACT OF 1996

Ms. SNOWE. Mr. President, I am extremely pleased to join with Senator MIKULSKI in introducing the Women's Health Equity Act of 1996. I believe that this event is historic, not only because of the impressive breadth and depth of this legislation, but because five women Senators, including Senators FEINSTEIN, MURRAY, and MOSELEY-BRAUN, have joined together to set an agenda for congressional action to improve women's health.

For too many years, women's health care needs were ignored or poorly understood, and women were systematically excluded from important health research. One famous medical study on breast cancer examined hundreds of men. And another federally funded study examined the ability of aspirin to prevent heart attacks in 20,000 medical doctors, all of whom were men, despite the fact that heart disease is the leading cause of death among women.

Today, Members and the American public understand the importance of ensuring that both genders benefit equally from the fruits of medical research and the delivery of health care services. Unfortunately, equity does not yet exist in health care, and we have a long way to go. Knowledge about appropriate course of treatment for women lags far behind that for men for many diseases. Research into diseases affecting predominately women, such as breast cancer, for years went grossly underfunded. And many women do not have access to critical reproductive and other health services.

Throughout my tenure in the House and Senate, I have worked hard to expose and eliminate this health care gender gap and improve women's access to affordable, quality health services. And under my leadership as the co-chair of the Congressional Caucus for Women's Issues, women legislators in the House called for a GAO investigation into the inclusion of women and minorities in medical research at the National Institute of Health. This study documented the widespread exclusion of women from medical research, and spurred the caucus to introduce the first Women's Health Equity Act [WHEA] in 1990. This comprehensive legislation provided Congress with its first broad, forward looking health agenda intended to redress the historical inequities that face women in medical research, prevention and services.

Since the initial introduction of WHEA in the 101st Congress, women legislators have made important strides on behalf of women's health. Legislation from that first package was signed into law as part of the NIH Revitalization Act in June 1993, mandating the inclusion of women and minorities in clinical trials at NIH. We established the Office of Research on Women's Health at NIH, and secured dramatic funding increases for research into breast cancer, osteoporosis, and cervical cancer.

Today, I have joined forces with many of my women colleagues on a bipartisan basis to take the next crucial step on the road to achieving equity in health care. The Women's Health Equity Act of 1996 is comprised of 39 bills devoted to research and services in areas of critical importance to women's health. I have already introduced several of the bills contained in WHEA in the Senate: the Consumer Involvement in Breast Cancer Research Act; the Women's Health Office Act; the Genetic Information Nondiscrimination in Health Insurance Act of 1996; the Patient Access to Clinical Studies Act; the Medicare Bone Mass Measurement Coverage Act; and the Accurate Mammography Guidelines Act. Together, these 39 bills represent the high-water mark for legislation on women's health.

The research bills contained in title I of WHEA continue to push for increased biomedical research in women's health at NIH and other Federal agencies, and address the need for social policy to keep pace with scientific technology. The impact of the environment of women's health, women and AIDS, osteoporosis, and lupus are all addressed in this title.

The service-oriented bills contained in title II of WHEA target new areas such as the prevention of insurance discrimination based on genetic information or participation in clinical research as well as insurance protection for victims of domestic violence. Several bills address the need for education and training of health professionals and the importance of providing information about health risks and prevention to women. Adolescent health, eating disorders, postreproductive health, and breast and cervical prevention are also addressed, as well as the need to designate obstetrician-gynecologists as primary care providers for insurance purposes and to provide for minimum hospital stays for mothers and their newborns.

Improving the health of American women requires a far greater understanding of women's health needs and conditions, and ongoing evaluation in the areas of research, education, prevention, treatment, and the delivery of services. I believe that the 39 bills comprising the Women's Health Equity Act will take a giant step in this direction, and the passage of this legislation will help ensure that women's health will never again be a missing page in America's medical textbook.

Ms. MIKULSKI. Mr. President, I am honored to join my good friends Senators SNOWE, BOXER, FEINSTEIN, MURRAY, and MOSELY-BRAUN in introducing the Women's Health Equity Act. This years' bill, composed of 37 separate bills, will improve the status of women's health in the areas of research, services and prevention. The package builds on past successes. It brings resources and expertise to bear on the unmet health needs of America's women. This bill sets an agenda. It's where women's health care needs to go as we enter the 21st century.

There has been a pattern of neglect and a history of indifference to women's health needs. It's astonishing that between 1979 and 1986 the death rate from breast cancer was up 24 percent. No one knew why. Yet there was no research being done—the research community was ignoring this very significant problem. I worked with colleagues to change that by making sure that breast cancer research got its fair share of research dollars.

I was frustrated when I found out that America's flagship medical research center, the National Institutes of Health [NIH], was supporting research that systematically excluded women. Less than a decade ago, only 14 percent of every research dollar was going to study the health problems of 51 percent of the American population. I wanted to change that. And I did. With the help of my colleagues, I was successful in setting up the Office of Women's Health Research at NIH. This office is turning these statistics around. Women are now routinely included in clinical trials.

Despite all our progress, we have a long way to go. We have to change outdated attitudes. It's not easy to reverse gender biases. We take a few steps forward and then a few steps back.

I want to make sure that women's health care needs are met comprehensively and equitably. The NIH must allocate sufficient resources to women's diseases. It should continue to include women in clinical trials. It must continue to expand access to health services for women. We must aggressively pursue prevention in women's diseases. I pledge to fight for new attitudes and find new ways to end the needless pain and death that too many American women face.

I am proud to introduce this bill with a great group of Senators that care equally about women's health. This bill confirms our intent to move forward in women's health equity. It is an outline, a framework, an agenda. No doubt, it will take time, but I'm sure we will succeed.

Mrs. MURRAY. Mr. President, I rise in strong support of the Women's Health Equity Act. I am proud to join my colleagues, Senators SNOWE, MIKULSKI, FEINSTEIN, and MOSELEY-BRAUN, in offering this package of 39 legislative initiatives of critical importance to the health of women and their children. Today we are sending a powerful and united message. We are more committed than ever to keeping the spotlight on the important issues surrounding women's health research, treatment and education.

There are so many worthy pieces to this bill that I won't go into each and every one separately. This bill underscores the lack of attention that has been paid to women's health issues and the many obstacles we face in getting accurate, vital information about our health, the health of our children and the health care system as it effects us.

Women face an array of unique and serious health risks. We must do more to ensure that adequate research and education programs are maintained, supported and enriched. We have much more to learn about diseases like osteoporosis, lupus, and breast cancer that devastate the lives of women across this country. And we need to continue to broaden the scope of current efforts in research into AIDS, cardiovascular disease and alcoholism to better understand how women are impacted. We must enable women to protect themselves and their daughters.

Mr. President, our bill recognizes the need for supporting this kind of research and specifically addresses all of these conditions which jeopardize the health of women. We must encourage a coordinated and committed effort from the top level of our government to make sure that women's health issues receive the attention they deserve. For too long, our concerns were ignored or given second-class status. If we continue to allow this to happen—women will die, our children will get sick, and future generations will be shortchanged of valuable information about ways to prevent health-related tragedies.

And our bill acknowledges another critical health issue which disproportionately affects women—domestic violence. The Women's Health Equity Act includes a number of provisions which seek to protect women who are victims of violence from being discriminated against when seeking health insurance. Family violence is a public health crisis which tears families apart and often prevents women, especially low-income women, from providing their children with a safe, nurturing environment in which to learn and grow.

As you know Mr. President, one of my biggest concerns as a Senator is the well being of our Nation's young people. I am proud that this bill includes provisions which encourage: adolescent health demonstration projects; eating disorders research and education initiatives; fetal alcohol syndrome research and prevention programs; and demonstration projects to prevent smoking in WIC clinics. These efforts are critical and send our young people an important message that we care about them, their health, and their futures.

I am particularly pleased that the Newborns' and Mothers' Health Protection Act was included in this act. By allowing longer hospital stays after child-birth, we will see improved health for both mother and baby. Women will receive essential information about care for their newborn and if there are any health complications, mother and baby will receive the attention they need.

Mr. President, I want to commend Senator SNOWE for her leadership in coordinating this effort and for all she has done for women's health and health care. I am proud to be an original cosponsor of this bill and I urge all of my colleagues to join and help move these initiatives forward. Together, we can improve the lives and health of women and children in our Nation, continue the important work we have started and celebrate the great strides we have made. I look forward to this challenge.

By Mr. D'AMATO (for himself, Mr. KERRY, Mrs. BOXER, Mr. BRYAN, Ms. MOSELEY-BRAUN, and Mrs. MURRAY):

S. 1800. A bill to amend the Electronic Fund Transfer Act to limit fees charged by financial institutions for the use of automatic teller machines, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE FAIR ATM FEES FOR CONSUMERS ACT OF 1996

Mr. D'AMATO. Mr. President, I rise today with Senators KERRY and MURRAY as my primary cosponsor to introduce legislation to protect consumers from excessive and redundant fees imposed by automated teller machine (ATM) operators. I am also pleased that Senators BOXER, BRYAN, and MOSELEY-BRAUN have joined in cosponsoring this important initiative.

Traditionally, a bank or financial institution, let's call it Integrity Bank, agrees to provide a consumer with a package of services in exchange for the use of the consumer's money. These services typically include access to an ATM network, such as MOST, CIRRUS, or PLUS, which consists of any Integrity Bank ATM's as well as ATM's operated by other banks or financial institutions. Integrity Bank and the consumer have an agreement about whether Integrity Bank will charge the consumer for using ATM's not owned by Integrity Bank. Integrity Bank, in turn, is responsible for paying the network a fee for transactions completed by its consumers on ATM's not owned by Integrity Bank.

Changes which took effect in April of this year may force the consumer to pay new fees. Until April 1, the major electronic banking networks prohibited the assessment of ATM user fees by the bank which owned the ATM. The networks have revoked this policy, opening the door to a new and outrageous practice beyond the control of Integrity Bank and its customer. Now, despite the fact that Integrity Bank pays fees to the ATM network, ATM owners and operators can now charge non-customers who use their ATM's—a service that consumers thought was included in any charges imposed by Integrity Bank—their bank.

Now many ATM users may be caught in the middle. Their own banks can continue to impose fees while the operators of the ATM's they use are entitled to ransack consumers' accounts. What is next, explicit and redundant fees for deposit envelopes? A nighttime ATM surcharge? I will refrain from offering banks any further suggestions on how to pick the pockets of American consumers.

Mr. President, this double-dipping is unfair and unconscionable. Consumers should not be charged twice for a single ATM transaction and should certainly not be charged a fee which has nothing to do with the relationship between the consumer and his or her financial institution.

Banks and other financial service providers argue that these surcharges are necessary to cover the costs of ATM operation. In-branch ATM's present minimal expense to financial institutions. How can banks argue with straight faces that surcharges are necessary to cover costs of operation?

Mr. President, the rules change which permits this extra fee was enacted only recently. While some banks have already imposed the surcharge, many others are testing the waters before they take advantage of the rule change. Congress should act before this unfair practice spreads like a wildfire.

It is hard to believe that banks are so strapped when industry profits have never been higher. For the fourth straight year in 1995, commercial banks reported record earnings. Last year, commercial banks reported profits of $48.8 billion, exceeding the previous year's record of $44.6 billion by

9.4 percent. These skyrocketing earnings are primarily the result of increased interest and fee income. On top of this, commercial banks now pay nearly nothing to receive deposit insurance.

Are banks really losing money on ATM operations or is this new fee just an easy way to gouge the consumer? The U.S. Public Interest Research Group and the Center for the Responsive Law recently reported that ATM's generated $3.1 billion in transaction fees for banks in 1995. Though ATM transactions cost banks $3.2 billion, the report said, profits increased by $2.2 billion as a result of the labor savings. This new ATM surcharge is nothing more than a thinly veiled attempt to artificially inflate profits at the consumer's expense.

Banks have spent the past 20 years enticing consumers to use ATMs to reduce the need for branch offices. Banks have told regulators and the Congress that branch closings save money without decreasing service because ATM's fill the role once served by branch offices. Now it appears providing that service comes only with an added cost to the consumer and more profit for the provider.

Let me just say a few words about the impact of this fee on community banks. These banks have already agreed to pay fees to ATM networks in order to ensure that their customers have access to funds at convenient locations. Now community banks face the threat of losing customers to large banks with large ATM networks. Since community bank customers depend on other institutions' ATM's, large banks can use ATM user fees to steal community bank customers.

This moves comes at a time when some banks are charging their customers a premium for teller service. These banks justify this teller fee with claims that teller service is more expensive to provide than ATM service. Now, some banks are squeezing consumers even harder with new ATM user fees. Consumers are getting nickel-and-dimed to death and it has got to stop.

Mr. President, the bill I introduce today would prohibit user fees imposed by ATM operators. Under this bill, for example, banks would remain free to charge their own customers for using the ATM's of other banks. Other ATM owners and operators, however, would be prohibited from taking a second bite out of the consumer.

There is congressional precedent for this type of legislation. Congress originally passed legislation banning surcharges in the credit card industry in 1976 and renewed the ban twice in 1978 and 1981. In that instance, Congress prohibited retail institutions from charging consumers surcharges on their credit card purchases. To allow additional charges and fees for card use after the consumer had paid for the use of the credit card would have forced customers to pay twice and permitted some unscrupulous merchant to engage in deceptive advertising and other harmful practices. This is analogous to our current ATM situation.

I understand that some businesses that rely on retail sales through credit and ATM cards may be concerned about this bill. They need not worry. The sole purpose of this legislation is to prohibit excessive fees to ATM users. I recognize that there may be some off-site ATM's that are costly to maintain and have historically charged fees. I am willing to consider necessary accommodations to this bill. However, I will draw the line in cases where it is clear the consumer is being fleeced.

Mr. KERRY. Mr. President, I am pleased to join my colleague from New York, the chairman of the Banking Committee, Senator D'AMATO, in introducing this important piece of legislation.

It is not often that Senator D'AMATO and I agree on issues on this floor or in the Banking Committee, and when we do, there is justification for strong bipartisan support. That is indeed the case on this legislation, and I am pleased to join with my colleague, and I congratulate him on his leadership in moving to protect consumers against the potential of double-bank-fees that amount to a banking-penalty tax on consumers.

Why do we need this legislation now? Because, on April 1 of this year, American depositors had a cruel April Fool's joke played on them. That's the day Visa and MasterCard—owners of two of the largest automated teller network—began letting their member banks charge a fee to other banks' customers who use their automated tellers. Some banking analysts tell me that across the country this surcharge can range from 50 cents to $2.50. Consumers can be charged an increased fee by both their bank and the bank whose machine they are using which could cost as much as $5 to make a deposit, a withdrawal, or to check your balance.

Our legislation has a simple purpose: it prohibits a transaction fee assessed by the owner or operator of an ATM machine. This bill will stop double fees.

It gives consumers negotiating power with a financial services industry which is consolidating and downsizing—laying off tellers, shutting branches and reducing bank-lobby hours; it helps the small banker from being run out of business by the big banks; and it bolsters congressional oversight of antitrust violations.

Mr. President, Massachusetts is in a unique situation. Because of pending bank mergers and consolidations the 2 largest banks will soon own 2,200 of the 3,500 ATM machines in the State—about 65 percent.

In no other State does one bank control more than 15 percent of the ATM's. I applaud the banking industry which has grown and is healthy and strong, and there is room in financial services for large institutions and for small credit unions and neighborhood savings and loans. This bill not only protects consumers, but it protects small banks that don't own more than a few ATM's from being run out of business by the larger banks who can offer free transactions at thousands of machines.

Let me put this in perspective. In a survey of just 228 of the 3,500 machines in my State—less than 10 percent of all the machines—it was reported that 400,742 transactions per month would be subject to the new surcharge—almost 5 million transactions per year at just 10 percent of the ATM's in my State.

If the larger financial institutions could offer no fee if a consumer took their money out of a smaller institution, the fate of the smaller institutions in an increasingly automated environment is obviously in question, and we have to address this problem now. And to save the community banks and avoid the 1990's version of the 1980's S&L crisis.

Mr. President, in a recent USA Today interview with an executive of one of the Nation's largest banks, when asked ''are you instituting surcharges on non-customers who use your automated teller machines?'' the answer was somewhat disturbing.

It was:

> We're going to do it . . . The reason is frankly pretty self-evident. You've got a community bank that likes to tell you they're going to give you this wonderful service and you can shake the President's hand and get a doughnut and a cup of coffee in the lobby and so on. When you go in to open an account they say we don't have any ATM's but don't worry about it, here's our card and you can use anybody's ATM in the country. So we're subsidizing the community banks. We're not going to do that anymore.

Well, Mr. President, I ask, what's wrong with community banks. I like the idea of neighborhood credit unions and having a cup of coffee and a doughnut in the lobby. What this response tells me is that there is more to the surcharge than meets the eye. And we should be aware of the what lies around the corner as we head down the road.

You will hear from representatives of the industry, Mr. President. Some of the biggest banks will lobby heavily saying that this fee is an issue of convenience. But I suspect that other forces are at play. Commercial banks posted record profits last year. This new fee is not designed to raise profits.

Yet, community and cooperative bankers will tell you a different story—a constituent of mine in Dorchester, MA, owns a profitable bank with one ATM machine. He runs the bank well and serves the community. But he is no match against far bigger competitors. He knows that once these surcharges become pervasive and the big banks start charging his customers to use their ATM's, they will just move their accounts to the big banks to avoid the charge.

So, this is not an issue of establishing prices and fees; this is an antitrust issue. I want to set the marker down clearly—the Congress needs to do a

better job in monitoring and preventing the trend of consolidation from running the smaller banks out of business.

I want to be clear about what else this bill does, and what it does not do. This legislation does not regulate fees and prices, and does not curtail the widespread use of ATM's especially in lower income areas.

Mr. President, I do not believe that it is the business of the U.S. Senate to set prices and fees at banks and other financial institutions. I am a great believer in the free market—not the Federal Government—dictating fee structures. But there is a general sense of fairness that is being violated in this new surcharge.

When a depositor opens an account, he or she knows the fees associated with transactions. It is current Federal law—found in statutes like the Electronic Funds Transfer Act, the Truth-in-Savings Act and the Truth-in-Lending Act—that mandates fees to be disclosed to the consumer. So, when we open a bank account, we will know how much each transaction will cost.

But now, with this new surcharge, we are left in the dark. We don't find out how much it will cost to use an ATM machine, not associated with our particular bank, until our statement appears in the mail, long after the ATM transaction is completed.

That is bad for consumers and it is bad precedent. And the trend is not favorable. Historic mergers, consolidations and acquisitions have taken place in financial service industry. Consumers have less choice, not more. Bank lobby hours have been curtailed so drastically, tellers replaced by machines, that we are forced to use ATM's. This is the direction of the industry and at some point the Congress must step in and let the banks know enough is enough.

Thank you and I yield the floor.

By Mr. MCCAIN:

S. 1801. A bill to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal year 1997, to reform the Federal Aviation Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE OMNIBUS AVIATION ACT OF 1996

Mr. MCCAIN. Mr. President, today, I am introducing the Omnibus Aviation Act of 1996. This legislation reauthorizes for one year several key programs of the Federal Aviation Administration, including the vital Airport Improvement Program. It also provides needed, comprehensive FAA reform, including the development of a stable, long-term funding system for the FAA, and addresses other critical safety and airport concerns. Specifically, this legislation would:

Reauthorize AIP at $1.8 billion for one year;

Expand the prohibition on airport revenue diversion;

Provide for thorough reform of the FAA;

Encourage Congress to meet the FAA's short-term funding needs;

Enhance airline safety by requiring airlines to share employment and performance records before hiring new pilots; and

Abolish the MWAA Board of Review.

Significantly, this bill expresses the sense of the Senate that Congress must act immediately to address the short-term funding needs of the FAA. Mr. President, we have all heard by now that certain aviation excise taxes that make up most of the Airport and Airway Trust Fund, which provides nearly all of the FAA's funding, expired at the end of last year. Since then, no money has been going into the aviation trust fund. Yet, the FAA has determined that since the beginning of this year, approximately half a billion dollars has been spent each month from the existing trust fund balance. The FAA advises that at this rate, all of the money in the trust fund will be spent by December. Without immediate action by Congress to provide interim, short-term funding for the FAA, confidence in the FAA and our nation's air traffic control system could erode.

The legislation that I am introducing today not only encourages quick resolution of the FAA's immediate funding problem, but also sets out a plan for complete FAA reform. In specific, this bill incorporates the Air Traffic Management System Performance Improvement Act, which I have cosponsored with Senator FORD and Senator HOLLINGS, to create a more autonomous and accountable FAA that can continue to ensure the safety of the traveling public while, at the same time, meet the needs of the growing aviation industry.

This FAA reform measure is particularly important because while the interim, short-term funding is in place and during the one-year reauthorization of FAA programs, the FAA will be able to set up a performance-based fee system to satisfy the FAA's long-term funding needs. This FAA reform proposal would ensure that the new FAA funding system must consider the FAA's costs of providing air traffic control services and must increase the efficiency with which air traffic control services are produced or used, without jeopardizing safety.

The existing aviation excise tax system does not enable the FAA to determine whether the air traffic control system is becoming more or less costly per flight, or whether air traffic control system productivity is increasing or decreasing. By contrast, establishing a user fee funding system under this bill would compel the FAA to establish a cost accounting system, which would enable it to determine the efficiency and costs of the FAA and the air traffic control system, and develop investment and modernization programs that are viable.

This legislation also addresses other critical aviation issues. First, it contains provisions intended to reverse the disturbing trend of illegal diversion of airport revenues. To ensure that airport revenues are used only for airport purposes, this legislation would expand the prohibition on revenue diversion to cover more instances of diversion. It also would establish clear penalties and stronger mechanisms to enforce Federal laws prohibiting revenue diversion. In addition, the bill would impose additional reporting requirements so that illegal revenue diversion is easily identified and verified. It also would provide important protections for whistleblowers.

To enhance the safety of the Nation's air transportation system, this legislation also contains provisions that would require air carriers to request and receive, after obtaining written consent from a pilot application, relevant employment and performance records before hiring someone as a pilot. These provisions focus on encouraging and facilitating the flow of information between employers so that safety is not compromised in any way.

To ensure that the burden of these pilot recordsharing provisions does not fall on employers and the legal system, when a transfer is requested and complied with, both the employer who turns over the requested records and the prospective employer who receives them will be immune from lawsuits related to the transferred information, unless the employer who provides the information knows it is false. Complete immunity is critical—without it, the airlines simply will not share records. The legislation therefore could not achieve its objective of making it a common practice of prospective employers to research to the greatest extent the experience of pilots, and to learn significant information that could affect air carrier hiring decisions and, ultimately, airline safety.

Finally, this legislation makes certain changes to the Metropolitan Washington Airports Authority required following recent Federal court rulings. In specific, the bill would abolish the MWAA Board of Review, and increase the number of presidentially appointed members of the MWAA Board of Directors. It also conveys the sense of the Senate that the MWAA should not provide free, reserved parking areas at either Washington National Airport or Washington Dulles International Airport for Members of Congress and other government officials or diplomats.

Mr. President, certain unfortunate, recent events have raised questions about the safety of our nation's air transportation system. We must do our part to reassure the traveling public that we have the world's safest system. This comprehensive legislation will go a long way in reassuring the public that the system is safe, and will provide the FAA with a stable, predictable, and sufficient funding stream for the long term.

By Mr. THOMAS (for himself and Mr. SIMPSON):

S. 1802. A bill to direct the Secretary of the Interior to convey certain property containing a fish and wildlife facility to the State of Wyoming, and for other purposes; to the Committee on Environment and Public Works.

RANCH A CROOK COUNTY, WYOMING LEGISLATION

Mr. THOMAS. Mr. President, I rise today along with my colleague from Wyoming, Senator SIMPSON, to introduce legislation to protect public land in our State. This bill would transfer 680 acres of land currently administered by the United States Fish and Wildlife Service to the State of Wyoming. This property commonly known as Ranch A is located in Crook County, WY, and is scheduled to be disposed of by the General Services Administration in the coming months. Since the area is unique and possesses many historic and distinctive characteristics, the State of Wyoming would like to have the property transferred to it so that the property and facilities on the land can be preserved for the public for many years to come.

The Ranch A lodge, which sits on 680 acres of property, was constructed by a private developer in the 1930's and acquired by the U.S. Fish and Wildlife Service in 1963. Since the area has an abundant supply of spring-fed water, it is ideal for trout research and the study of trout genetics. The Fish and Wildlife Service continued its research operations at Ranch A until 1980 when all of the agency's trout research work was transferred to Bozeman, MT. Since that time, the Service has maintained the facility but has leased the area to a variety of groups including the Wyoming Game and Fish Department and the South Dakota School of Mines.

Although the area has significant historical and cultural values, in 1995 the Department of Interior took action to divest itself of ownership of Ranch A. Recently, the Fish and Wildlife Service declared the property as ''surplus'' and is planning to dispose of Ranch A through the General Services Administration. No formal action has been taken on the disposal request and the property is still owned and maintained by the Fish and Wildlife Service.

The State of Wyoming is interested in protecting Ranch A and working to ensure the area is protected for future generations. Earlier this year, the Wyoming congressional delegation was approached by Gov. Jim Geringer and asked if we could introduce legislation to have the property transferred to the State of Wyoming. The State is willing to assume ownership of the area and maintain the facility and the adjacent land for educational, historical and wildlife management purposes.

The legislation I am introducing today would achieve that goal. The bill would transfer all right and title of the 680 acres and all buildings on the Ranch A property to the State of Wyoming. The State would assume control of the property and would be required to manage the area for public purposes including fish and wildlife management, education and historical uses. In order to ensure the area remains public, the legislation contains a reverter clause that requires the State of Wyoming to manage the property for public uses or it would be transferred back to Federal ownership.

The bill is the product of long negotiations between the State of Wyoming and the Fish and Wildlife Service. Initially, the State would only accept the land if Federal funds were authorized to refurbish the area. However, by working with the State, the Federal Government and local officials, we have been able to craft a compromise that does not require any Federal expenditures and keeps the land public.

Mr. President, the Ranch A property is a truly unique facility that should be kept in public ownership. The area has significant historic and cultural value in addition to its wildlife and research opportunities. Keeping the area clean and pure is a goal of the residents in the region who hope to preserve the beauty of the facility and surrounding land for future generations to enjoy. The State of Wyoming is willing to take on the responsibility of protecting this wonderful property and I strongly support their efforts to ensure that Ranch A is protected for many years to come.

Instead of allowing the Federal Government to dispose of this unique property that has such a variety of uses, I urge Congress to take action and allow the State of Wyoming to protect Ranch A. The choice is clear—either we pass this bill and keep the area open to the public, or we allow the Federal Government to move forward and dispose of the land into private ownership. I hope we can move quickly to support this outstanding area and pass this legislation in the near future.

By Mr. MURKOWSKI (for himself, Mr. JOHNSTON and Mr. AKAKA):

S. 1804. A bill to make technical and other changes to the laws dealing with the territories and freely associated States of the United States; to the Committee on Energy and Natural Resources.

TERRITORIES AND FREELY ASSOCIATED STATES LEGISLATION

Mr. MURKOWSKI. Mr. President, today I am introducing legislation that will address several concerns that were brought to my attention by the leadership in some of the United States territories and in the nations in free association with the United States. I am pleased that this legislation is cosponsored by the Ranking Member and former Chairman of the Committee on Energy and Natural Resources, Senator JOHNSTON, as well as by Senator AKAKA, who has also had a long and abiding interest in the welfare of the territories and freely associated States.

During the February recess, I had the opportunity to meet with the chief executives of the United States territories of American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands as well as the Presidents of the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia. I want to express my appreciation to all of them for their courtesies and their willingness to meet with Senator AKAKA and myself and for their assistance in arranging full and frank discussions.

I was impressed by the diversity within the Pacific and the magnitude of the problems facing these island governments. I have some appreciation for their problems in dealing with Washington because I can recall the days of territorial administration for Alaska. I was also able to point out that Statehood is not a complete remedy for those who still think Alaska is their private reserve. Alaska, like the islands, is noncontiguous and must deal with standards developed for the lower 48 States. We have the problem of servicing small remote populations, much like the Republic of the Marshalls and the Federated States of Micronesia have.

The legislation that I am introducing today would address the following issues:

Section 1 extends the supplemental food assistance program for Enewetak and Bikini for an additional 5 years. Enewetak and Bikini were the sites for the United States atmospheric nuclear testing program in the Marshall Islands and the food assistance program is necessary to supplement local food supplies while the populations resettle their atolls. The difficulty that Enewetak has experienced in establishing a local food supply should be ample warning to the population of Bikini of the environmental consequences of a scrape, and I sincerely hope that we can avoid that environmental degradation. While Enewetak is making significant strides in reestablishing a local food supply, it is clear that a continuation of the agriculture assistance is needed. The language would also require the United States to ensure that the program is designed to meet the actual needs of the populations. I understand that the program is running at the same level as it did 10 years ago without taking into account the change in population.

A concern was also raised over the medical care and monitoring program that the Department of Energy runs in the Northern Marshalls. At the same time that I am introducing this legislation, I am also introducing an amendment that would extend the program to Bikini and Enewetak. While I do not want to jeopardize the effectiveness of the program for the affected populations of Rongelap and Utirik, I also want to ensure that the objectives of the four atoll program are being met. This language will also provide the Committee with an opportunity to review the administration of the program

since it was shifted out of defense programs and into environmental health within DOE. I appreciate that the four atoll health program was to be administered by the Tribunal established under the Compact of Free Association, but I am also mindful of the special responsibility that the United States has for the populations of the four affected atolls. Under the terms of the Compact, we authorized further ex gratia assistance if justified, and I think it is time for the Committee on Energy and Natural Resources to examine how the programs—those being provided by the Republic of the Marshall Islands and those provided by the United States—are being implemented. I was very impressed by my visit to Bikini and am grateful for the courtesies and hospitality extended by the Mayor, the Council, and Senator Balos. During the hearings on this legislation, I also want to examine what role the Public Health Service can play in improving health care not only to the four atolls, but throughout the Republic of the Marshall Islands and also to the Federated States of Micronesia and the Republic of Palau. I again want to emphasize that in no way do I want to jeopardize the overriding objective of the health care being provided by Brookhaven to the 133 exposed Marshallese, but I do not want to pass over the opportunity to see if the populations of Bikini and Enewetak could bootstrap onto the program using their trust funds.

Section 2 of the legislation would repeal a provision of law that authorizes the government of the Commonwealth of the Northern Mariana Islands to take over the American Memorial Park in Saipan. Senator AKAKA and I participated in a wreath laying at the park, and I was impressed with the development of the area, especially in light of staff descriptions of the site only a few short years ago. Ambassador Haydn Williams deserves a great deal of credit for his persistence and commitment to seeing the park established. While I am not opposed to proposals for other arrangements, it seems to me that the area is now a part of the National Park System and should remain so until the lease expires unless some concrete proposal is brought forward that will maintain the objectives and purposes for the memorial. I fully expect that we will need to modify this provision to permit the commonwealth the ability to develop the marina area, but at least for the time being, I think the National Park Service should continue to operate and maintain the memorial.

Section 3 is a technical amendment to the legislation dealing with the land grant status of the College of Micronesia and was brought to my attention by Susan Moses, the president of the college. The amendment would provide separate land grant status to the three successor institutions to the former College of Micronesia—the College of Micronesia—FSM, the College of the Marshall Islands, and the Palau Community College. This amendment will hopefully eliminate some administrative headaches for the college.

Section 4 amends the Guam Organic Act to guarantee that any lands acquired by the United States for Federal purposes will be made available to the Government of Guam when those purposes have expired. The Federal Government, principally the Department of Defense, controls about one-third of the available land area in Guam. Those lands were acquired for defense needs, and when those needs no longer exist, the lands should be returned to Guam. I was particularly troubled by the situation at Ritidian Point where the Fish and Wildlife Service, seemingly in the dead of night, effectively stole land that the Department of Defense and the Government of Guam had negotiated for transfer. Whatever the justification for Fish and Wildlife's interest, there is no excuse for the insensitivity shown by the Department of the Interior in that acquisition. Rather than spending their time enlarging their empire, the Fish and Wildlife Service could make better use of their resources by going after the brown tree snake. At the rate they are going, they will have the only wildlife refuge dedicated to extinct species. I especially want to thank Congressman UNDERWOOD for his assistance in developing this approach to guarantee a role for the Government of Guam in any further Federal land disposal in Guam. The Governor of Guam made an excellent presentation of the problems created by the actions of the Fish and Wildlife Service and I think this is a situation that needs to be addressed and I am grateful for the comprehensive briefing he provided us during our brief visit to Guam.

Section 5 would repeal a provision of law that limits the use of lands transferred to Guam. Again, I want to thank Congressman UNDERWOOD for suggesting this amendment. I cannot think of any restriction more onerous than transferring property for which the Federal Government has no further need and then denying the Government of Guam the ability to derive the economic benefits of its use and development.

Section 6 was suggested by the Resident Representative of the Commonwealth of the Northern Mariana Islands and would provide State-like treatment for the commonwealth, the Virgin Islands, and American Samoa for certain drug enforcement programs. Guam and Puerto Rico presently have State-like treatment, and this amendment simply provides uniform treatment for all the territories.

Section 7 of the legislation would amend the Revised Organic Act of the Virgin Islands at the request of the Governor of the Virgin Islands. The first amendment would provide that the Governor would retain his powers as Governor when he is temporarily absent from the territory on official business. This amendment recognizes that with modern communications and transportation, the current limitations are archaic and impede continuity in the operations of the executive branch in the Virgin Islands.

The second amendment would reform the authority granted to the Virgin Islands in 1976 to issue bonds secured by the matching fund. The debt is now priority debt, not parity debt. Priority debt places a premium value on the earliest debt, while parity debt places all bond holders on a level playing field. Although most communities now issue parity debt, the current limitation handicaps the Virgin Islands by requiring a higher fee and interest rate on subsequent issues as well as over collateralization. The amendment would permit the Virgin Islands to issue parity debt and allows for a transition to permit the Virgin Islands to refinance their current priority debt. This would reduce the debt service and free up needed revenues for school improvements and emergency repairs made necessary by Hurricane Marilyn. I want to emphasize that current bond holders will be fully protected.

Section 8 was suggested by Senator JOHNSTON to begin to look at what the economic future of the Virgin Islands will be in light of the changes that are happening both politically and economically in the Caribbean and what the Federal Government can do to provide a stable and self-sustaining local economic base. I fully agree with Senator JOHNSTON that the time to do that analysis is now.

Mr. President, upon my return from my visit to the Pacific, I wrote the President on what I thought was a fairly significant concern raised by the Presidents of the Republic of the Marshall Islands and the Federated States of Micronesia. While the political relationship under the Compacts of Free Association is of indefinite duration, certain provisions are subject to renegotiation and expire at the end of 15 years. The compacts require renegotiation in the 13th year and the Presidents quite correctly pointed out that was not sufficient time to conclude negotiations and obtain the necessary ratifications by the United States and their governments. Like the Governor of the Virgin Islands and Senator JOHNSTON, they are looking to the future and trying to plan for it. They asked if I would request the administration to begin the process of formulating the U.S. position and begin discussion while there was a degree of time. Given the number of years it took for the original ratification, that seemed like a reasonable request. I will not comment on the President's response, other than to ask unanimous consent that a copy of my letter and his response be included in the RECORD.

Mr. President, I appreciate that we are late in this session of the Congress, but these are important matters that require the attention of the Congress. I

want to announce that the Committee on Energy and Natural Resources will hold a hearing on this legislation on June 25, 1996 and at the same time we will review the report on the law enforcement initiative in the commonwealth of the Northern Mariana Islands. I will not go into great detail on the situation in the Commonwealth other than to say that reforms need to be implemented. We had extensive and detailed briefings and discussions with the Governor's staff, the Federal officials on the island, the Chamber of Commerce, the legislature, the U.S. attorney and Federal judiciary. It is my intention to move expeditiously on this legislation immediately after the hearing is concluded.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

S. 1804

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

SECTION 1. MARSHALL ISLANDS AGRICULTURAL AND FOOD PROGRAMS.

Paragraph (2) of subsection (h) of section 103 of Public Law 99–239, as amended, is further amended by striking the word ''ten'' and inserting in lieu thereof the word ''fifteen'' and by adding at the end of subparagraph (B) ''Such technical assistance, programs and services shall ensure, on an ongoing basis, that the commodities provided reflect the changes in the population that have occurred since the effective date of the Compact.''.

SEC. 2. AMERICAN MEMORIAL PARK.

Section 5 of Public Law 95–348 is amended by striking subsection (f), and renumbering subsections (g) and (h) as subsections (f) and (g), respectively.

SEC. 3. TERRITORIAL LAND GRANT COLLEGES—TECHNICAL AMENDMENT.

Subsection (b) of section 1361 of Public Law 96-374 is amended by striking the words ''August 30, 1980 (7 U.S.C. 327), commonly referred to as the Second'' and inserting in lieu thereof the words ''July 2, 1862 (7 U.S.C. 305), commonly referred to as the First''.

SEC. 4. AMENDMENT TO THE GUAM ORGANIC ACT.

The Organic Act of Guam (48 U.S.C. 1421 et seq.), as amended, is further amended by adding at the end thereof the following new section:

''SEC. 36. (a) At least 180 days before transferring to any Federal agency excess real property located in Guam, the Administrator of General Services shall notify the government of Guam that the property is available under this section.

''(b) The Administrator shall transfer to the government of Guam all right, title, and interest of the United States in and to excess real property located in Guam, by quit claim deed and without reimbursement, if the government of Guam, within 180 days after receiving notification under subsection (a) regarding the property, notifies the Administrator that the government of Guam intends to acquire the property under this section.

''(c) For purposes of this section, the term 'excess real property' means excess property (as that term is defined in section 3 of the Federal Property and Administrative Services Act of 1949, as in effect on the date of enactment of the Guam Land Return Act) that is real property.''.

SEC. 5. REPEAL OF LIMITATION ON USE OF LANDS BY THE GOVERNMENT OF GUAM.

(a) IN GENERAL.—Section 818(b)(2) of Public Law 96–418 (94 Stat. 1782), is repealed.

(b) EXECUTION OF INSTRUMENTS.—The Secretary of the Navy and the Administrator General Services shall execute all instruments necessary to implement this section.

SEC. 6. CLARIFICATION OF ALLOTMENT FOR TERRITORIES.

Section 901(a), Part 1, title I of the Act of June 19, 1968 (42 U.S.C. 3791(a)), as amended, is further amended in paragraph (2) by changing the proviso to read as follows: ''(2) ''State'' means any State of the United States, the District of Columbia, The Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.''

SEC. 7. AMENDMENTS TO THE REVISED ORGANIC ACT OF THE VIRGIN ISLANDS.

(a) Section 7(a) of P.L. 90-496 (82 Stat. 839), as amended, is futher amended by adding at the end thereof ''As used in this section, the term 'temporary absence' shall not be construed as being physically absent from the territory while on official Government business.''

(b) Section 3 of P.L. 94–392 (90 Stat. 1195), as amended, is further amended to read as follows:

(1) by inserting ''hereinafter'' between ''obligations'' and ''issued'';

(2) by deleting ''priority for payment'' and inserting in lieu thereof ''a parity lien with every other issue of bonds or other obligations hereinafter issued for payment''; and

(3) by deleting ''in the order of the date of issue''.

(c) The provisions of section 149(d)(3)(A)(i)(I) and 149(d)(2) of the Internal Revenue Code of 1986, as amended, shall not apply to bonds issued:

(1) by an authority created by statute of the Virgin Islands legislature, the proceeds of which will be used to advance refund certain bonds issued by such authority on July 8, 1992; or

(2) by an authority created by statute of the Virgin Islands Legislature, the proceeds of which will be used to advance refund certain bonds issued by such authority on November 3, 1994.

(d) The amendments made by subsections (b) and (c) shall apply to obligations issued on or after the date of enactment of this section.

SEC. 8. COMMISSION ON THE ECONOMIC FUTURE OF THE VIRGIN ISLANDS.

(a) ESTABLISHMENT AND MEMBERSHIP.—

(1) There is hereby established a Commission on the Economic Future of the Virgin Islands (the ''Commission''). The Commission shall consist of six members appointed by the President, two of whom shall be selected from nominations made by the Governor of the Virgin Islands. The President shall designate one of the members of the Commission to be Chairman.

(2) In addition to the six members appointed under paragraph (1), the Secretary of the Interior shall be an ex-officio member of the Commission.

(3) Members of the Commission appointed by the President shall be persons who by virtue of their background and experience are particularly suited to contribute to achievement of the purposes of the Commission.

(4) Members of the Commission shall serve without compensation, but shall be reimbursed for travel, subsistence and other necessary expenses incurred by them in the performance of their duties.

(5) Any vacancy in the Commission shall be filled in the same manner as the original appointment was made.

(b) PURPOSE AND REPORT.—

(1) The purpose of the Commission is to make recommendations to the President and Congress on the policies and programs necessary to provide for a secure and self-sustaining future for the local economy of the Virgin Islands through 2020 and on the role of the federal government in providing for that future. In developing recommendations, the Commission shall—

(A) solicit information and advice from persons and entities that the Commission determines have expertise to assist the Commission in its work;

(B) examine and analyze historical data since 1970 on expenditures for infrastructure and services;

(C) analyze the sources of funds for such expenditures;

(D) assemble relevant demographic and economic data, including trends and projections for the future; and

(E) estimate future needs of the Virgin Islands, including needs for capital improvements, educational needs and social, health and environmental requirements.

(2) The recommendations of the Commission shall be transmitted to the President, the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives no later than December 1, 1997. The recommendations shall be accompanied by a report that sets forth the basis for the recommendations and includes an analysis of the capability of the Virgin Islands to meet projected needs based on reasonable alternative economic, political and social conditions in the Caribbean, including the opening in the near future of Cuba to trade, tourism and development.

(c) POWERS.—

(1) The Commission may—

(A) hold such hearings, sit and act at such times and places, take such testimony and receive such evidence as it may deem advisable;

(B) use the United States mail in the same manner and upon the same conditions as other departments and agencies of the United States;

(C) enter into contracts or agreements for studies and surveys with public and private organizations and transfer funds to federal agencies to carry out such aspects of the Commission's functions as the Commission determines can best be carried out in such manner; and

(D) incur such necessary expenses and exercise such other powers as are consistent with and reasonably required to perform its functions.

(2) The Secretary of the Interior shall provide such office space, furnishings and equipment as may be required to enable the Commission to perform its functions. The Secretary shall also furnish the Commission with such staff, including clerical support, as the Commission may require and shall provide to the Commission financial and administrative services, including those related to budgeting, accounting, financial reporting, personnel and procurement.

(3) The President, upon request of the Commission, may direct the head of any federal agency of department to assist the Commission and if so directed such head shall—

(A) furnish the Commission to the extent permitted by law and within available appropriations such information as may be necessary for carrying out the functions of the Commission and as may be available to or procurable by such department or agency; and

(B) detail to temporary duty with the Commission on a reimbursable bases such personnel within his administrative jurisdiction as the Commission may need or believe to be useful for carrying out its functions, each such detail to be without loss of seniority, pay or other employee status.

(d) CHAIRMAN.—Subject to general policies that the Commission may adopt, the Chairman of the Commission shall be the chief executive officer of the Commission and shall exercise its executive and administrative powers. The Chairman may make such provisions as he may deem appropriate authorizing the performance of his executive and administrative functions by the staff of the Commission.

(e) APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

(f) TERMINATION.—The Commission shall terminate three months after the transmission of the report and recommendations under subsection (b)(2).

U.S. SENATE, COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington DC, March 11, 1996.

Hon. WILLIAM J. CLINTON,
President of the United States,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Recently Senator Akaka and I had the opportunity to meet with President Amata Kabua of the Republic of the Marshall Islands and his Cabinet and later with President Bailey Olter of the Federated States of Micronesia and the Speaker of their legislature. While we had frank and informative meetings, one issue arose in both meetings that we wanted to bring to your attention and request your support.

As you know, in 1986, the Republic of the Marshall Islands and the Federated States of Micronesia emerged from the former United Nations Trust Territory of the Pacific Islands as sovereign nations in free association with the United States. That status had been requested by the Micronesian governments in the late 1960's and negotiated with the United States over more than a decade. Congress approved the Compacts of Free Association for these two areas in Public Law 99–239, signed by the President on January 14, 1986. That approval came after several years of Congressional consideration.

Under the terms of the Compacts, the political relationship is open ended, but the federal assistance provisions terminate after fifteen years, in 2001, with a possible two year extension if negotiations on such assistance have not concluded. Under section 231 of the Compacts, negotiations on those provisions that expire at the end of fifteen years shall commence no later than in year thirteen, in 1999. The leadership in both countries strongly urged that discussions begin prior to that time. I support that request.

In addition to the critical strategic and policy interests of the United States in each of these areas, we have developed a close and, I hope, an enduring relationship based on mutually shared values. the political development of the freely associated states and their emergence from the United Nations trusteeship system was done peacefully. The option of free association was a decision made by the Micronesians at a time when full independence was the mark of decolonization elsewhere in the world. While there have been significant developments in the ten years of the Compacts, the process of nation-building is not simple nor without setbacks and problems. The relationship is unique, and while I understand that there are some who find it troubling, I think an honest review would demonstrate that it has exceeded the expectations of all parties.

I do have some concerns with how the present relationship has been implemented, not the least of which is the failure of the Department of the Interior to assign an individual to each of the freely associated states to provide assistance and monitor the various federal programs and grants that have been provided despite the clear intent of the Congress in approving section 108 of P.L. 101–219 and explicit appropriations. That is a situation that should be rectified immediately. Some of the present economic problems might have been avoided with a continuing presence from the Department. While I support the Administration's economic policy reforms being carried out in cooperation with the Asian Development Bank, those reforms do not obviate the need for a full time presence from the Department of the Interior in responding to the problems.

I think it is clear, however, that the United States has much to offer the micronesian governments consistent with their sovereignty and our fiscal limitations. Technical and other assistance in marine resources and tourism will be important as these countries attempt to develop their economic potential while preserving their culture and traditions. Continued assistance in fiscal management will also be vital.

I strongly suggest that you begin consideration of the Administration's policy with respect to future assistance to the freely associated states now and that you do so in close consultation with the Congress. The history of the original approval of the Compacts indicates that the two years provided in section 231 is wholly inadequate for negotiations and Congressional consideration. It would be even worse if the Administration waited any longer to begin to formulate its position.

I do want to emphasize the need for close Congressional consultations. This Committee, as well as the relevant House Committees, were involved in the discussions and negotiations that led to the passage of the Covenant for the Northern Mariana Islands and the Compacts for the three freely associated states, and many of our concerns are reflected in the final documents.

Sincerely,

FRANK H. MURKOWSKI,
Chairman.

THE WHITE HOUSE,
Washington, April 10, 1996.

Hon. FRANK H. MURKOWSKI,
U.S. Senate,
Washington, DC

DEAR MR. CHAIRMAN: Thank you for your letter regrading U.S. policy toward the Federated States of Micronesia and the Republic of the Marshall Islands. These former parts of the Trust Territory of the Pacific Islands make an important contribution to our security presence in the Asia-Pacific region.

We are working closely with Micronesia and the Marshall Islands to ensure the nearly $2 billion in scheduled U.S. assistance from over forty agencies is effectively and efficiently used. The Interior Department has dedicated substantial personnel resources for this purpose.

I look forward to working with you and other members of your committee to support the exciting process of nation-building that is taking place in these former parts of the Trust Territories.

Sincerely,

BILL CLINTON.●

● Mr. JOHNSTON, Mr. President, I am pleased to join in the introduction of this legislation that will address several important areas of concern in the territories and freely associated states. Many of the provisions result from a recent trip that the chairman of the Committee on Energy and Natural Resources, Senator MURKOWSKI, and Senator AKAKA recently took to most of the Pacific insular areas.

It is almost 24 years since I first came to the Senate and assumed the chairmanship of the Subcommittee on Territories of the then Committee on Interior and Insular Affairs. I thought it was important to visit the areas under the committee's jurisdiction and meet with the leadership. There is nothing that can replace that first-hand knowledge. Given the enormous workload of the committee and the critical nature of the legislation before us, it is often easy to overlook the needs of the territories and freely associated states. I sincerely hope that other members of the committee will also visit these areas and come to appreciate the unique needs and problems that confront the residents. The responsibility for these areas is one of those unique constitutional authorities entrusted to Congress by article IV.

In the time that I have been involved with the insular areas, Congress has enacted legislation providing full local self-government to the Virgin Islands, Guam, and American Samoa—including the election of non-voting delegates to the House of Representatives. We have also terminated the Trust Territory of the Pacific Islands, leader to the emergence of three sovereign nations in free association with the United States and a fully locally self-governing territory—the Commonwealth of the Northern Mariana Islands. I also had the privilege of serving on the Ad Hoc Advisory Group of Puerto Rico with our former colleague Marlow Cook and former Governor Luis Munoz Marin.

I want to focus on one provision of this legislation, and that is the study of the future economic needs of the Virgin Islands. Since 1960, the Virgin Islands has experienced enormous growth and development. In large part, that growth resulted from increased tourism after the closure of Cuba and also from improved transportation links to the Islands. Another component was the favorable trade status of the Virgin Islands, which is outside the customs territory of the United States. Those underpinnings are about to disappear. NAFTA and other trade agreements are eroding the trade advantages that the Virgin Islands has enjoyed. Within the foreseeable future, we will have a post-Castro Cuba that will likely challenge the Virgin Islands tourist industry. Rather than waiting for those events to happen, it is essential that we—the Virgin Islands and the federal government—begin to plan for the future. This legislation calls for the creation of a Commission on the Economic Future of the Virgin Islands. The Commission would carry out an in-depth study of what will need to be done to provide a transition for the Virgin Islands to a fully self-sustaining local economy and what the federal government needs to do to facilitate that transition.

I am pleased to cosponsor this legislation and I look forward to the hearings that the Committee will conduct

in the next several weeks. At that time we will also review the report from the Administration on the law enforcement initiative in the Commonwealth of the Northern Mariana Islands. I was the floor manager for the Covenant, and I take particular pride in the accomplishments that have occurred in the past twenty years. The Northern Marianas entered territorial status heavily dependent on federal support for basic government operations. In twenty years, the territory has progressed to the point that it no longer requires direct assistance in operations and is capable of matching federal grants for capital infrastructure. That progress has had a price, however, and I intend to very carefully examine the labor situation and the continued reports of abuse, especially in the garment industry. While I fully support the authority for local self-government conferred under the Covenant, that grant also included the responsibility for exercising that authority properly.

In that context, on July 20, 1995, the Senate passed S. 638, a bill containing, among other things, significant provisions addressing labor issues in the Commonwealth of the Northern Mariana Islands. The House has not yet responded to this important legislative initiative. My hope is that we can obtain House action on S. 638 soon—in time for the 104th Congress to act to address these problems.●

By Mr. GRAMS:

S. 1805. A bill to provide for the management of Voyageurs National Park, and for other purposes; to the Committee on Energy and Natural Resources.

VOYAGEURS NATIONAL PARK ACCESSIBILITY AND PARTNERSHIP ACT

Mr. GRAMS. Mr. President, there is a march toward democracy afoot in America today.

That statement may seem surprising; after all, why would such a movement be needed? We Americans take pride in the fact that our Government is based on the pursuit of democracy—in the words of Abraham Lincoln, ''a government of the people, by the people and for the people.'' And that principle should have as much relevance today as it did when President Lincoln delivered the Gettysburg Address 130 years ago—but does it?

In theory perhaps, but as a practical matter, it seems that the words of Lincoln have been steadily eroded by the recent surge in the size and power of the Federal Government. And with that growth in Washington has come the slow but unmistakable shift in power from the people to the government.

Under a democracy, government is needed to establish and enforce the fundamental rules by which our society operates—with the express support of the people. It is there to protect the rights of individuals and to step in when those rights come into conflict—to resolve disputes between people, not to create them.

But in recent years, the American people have been forced to watch Government expand its role in our daily lives through the use of laws, rules, and regulations—to the point of interference. Instead of receiving its power from the people, it has usurped that authority and as a result, abandoned any sense of public accountability.

As a result, many people believe that they have lost control of their Government—indeed a growing number of us feel that the Government now controls us.

There is no better example of this shift in power than in the Federal Government's management of our natural resources and public lands, particularly as it has affected the people of my home state in the controversy surrounding Voyageurs National Park.

The Park, now comprising 218,000 acres in northern Minnesota, was created in 1971 and established as part of the National Park System in 1975 following years of contentious debate and public hearings. While a number of local residents supported the creation of the park, they did so after promises by the Federal Government of increased economic growth in the region; maintenance of the Park as a multiple recreational use facility, for recreational activities like snowmobiling; and the continued use of input from the public into the management of the park.

But as the years passed, those promises fell by the wayside, leaving local residents out in the cold and understandably distrustful of government bureaucrats who have been unaccountable to the people they are supposed to serve and unresponsive to their needs. Instead of working for the people, the Federal Government has consistently ignored their concerns and in some cases, actually worked against them.

For example, the people of northern Minnesota were promised that in exchange for giving up their rights to the land that would comprise the Park, they would receive opportunities to boost their local economy. In fact, upon creation of the Park, Federal officials estimated that it would host over 1.3 million visitors each year, thereby providing much-needed economic growth for the surrounding communities.

But the road toward economic prosperity never found its way through Voyageurs National Park. Park officials currently estimate the annual number of visitors at 200,000—less than one-sixth their initial projection. Even worse, the Park Service has tried to cover its tracks by suggesting that the park—despite its low visitor rate—is not underutilized.

While the facts and figures certainly counter the Park Service's assertion, nothing beats a first-hand assessment of park use. So, on a beautiful Saturday last July, I visited Voyageurs National Park. While admiring the beauty and historical significance of the lands and waters enclosed within the park, I was struck by the fact that hardly anyone—with the exception of park officials and a few scattered visitors—was there. It was only when I drove through the neighboring city of International Falls, MN, that I did see a number of tourists and visitors—in line—waiting to pass through customs—on their way to Canada.

In 1983, Congress called for the Park Service to create a comprehensive visitor use and facilities plan which would lay out a strategy to increase park use. In spite of Congress' directive, no attempt to carry out the study ever occurred—perhaps due to the Park Service's belief that the park was not being underutilized, bureaucratic stonewalling, or maybe just out of simple negligence. Whatever the reason, Voyageurs National Park today remains underutilized—an isolated enclave—with the people of northern Minnesota forced to pay the price of the National Park Service's mismanagement.

The Park Service and the U.S. Fish and Wildlife Service have also worked together to curtail legitimate visitor access to and use in the Park. Under the guise of the Endangered Species Act, certain bays were shut off to snowmobiling in order to protect the nesting habitat of bald eagles. While everyone agreed that the eagles should be protected, many believed that both agencies failed to give valid, scientific reasons for closing off the bays. Recently, a Federal district judge ruled that Federal bureaucrats had abused the Endangered Species Act to unfairly restrict snowmobile access in the bays. It is sadly ironic that it took a Federal judge to recognize a legitimate use in the Park—something the Park Service and Fish and Wildlife Service have failed to comprehend.

But perhaps the greatest example of arrogance on the part of the Federal Government concerns the question of wilderness designation within the Park. Despite the clearly expressed intent of Congress that Voyageurs National Park was to be a multiple recreational use facility, the Park Service has continued to manage certain portions of the Park for wilderness study characteristics. One need go no further than to ask my colleague from Minnesota, Representative JIM OBERSTAR, who helped create the Park when he served as a Congressional staffer, about the intent of Congress that it was to be open for multiple use. Yet, major segments of the Park continue to be shut off to legitimate and recognized multiple uses—such as snowmobiling, boating and dog sledding—further breaking the long-standing commitments made to northern Minnesotans.

Mr. President, as much as we would like to, we cannot rewrite the history of Voyageurs National Park or simply wave a magic wand to right the wrongs to which the people of northern Minnesota have been subjected over the last 25 years. But we can and must take action to ensure that history does not repeat itself—that future management

of the Park be conducted in accordance with the views of the people.

For that reason, today, I am introducing legislation which would help resolve this controversy by bringing democracy and government accountability back to Voyageurs National Park.

Under my legislation, a new Planning and Management Council will be charged with developing and monitoring a comprehensive management plan. It will consist of 11 members appointed by the Secretary of the Interior and will include representatives from Federal, State, local and tribal governments.

The management council will be authorized to create Advisory Councils made up of individuals representing diverse interests. All council meetings will be open to the public, who will be given opportunities to provide comment on agenda items.

Mr. President, under my bill, public input will no longer be ignored—in fact, it will be encouraged as part of the management process.

Finally, my legislation will prohibit the Park Service from issuing any additional regulations regarding the Park between enactment of this bill and the Secretary's final approval of the management plan, except in cases of routine administration, law enforcement need and emergencies.

To better understand how this new management council will improve the situation in northern Minnesota, one need look no further than the recent ban that was proposed by the National Park Service on the use of live bait within the interior lakes of Voyageurs National Park—one imposed without the solicitation of public input or notification to area fisherman and the Minnesota Department of Natural Resources.

This unilateral action taken by the Park Service naturally created enormous controversy and outrage in northern Minnesota. As one State official said at the time, ''It was a big surprise to us * * *. There was no prior discussion with us on the ban. There's a longstanding tradition in the park of being able to use live bait.''

After many of us raised our objections and outrage over the ban, the Park Service backpedaled, then lifted the ban, stating that it had misread the law. In doing so, the Superintendent of the Park was quoted in the papers saying, ''I had no idea this was going to be a problem. If I had known, trust me, I would have dealt with it differently.''

Mr. President, think about those words for a second. According to the Park Service, if they had just known, they never would have tried to impose their will on the people. If they had just known, just listened, just sought input, none of this would have happened. That is exactly what we are seeking today.

My legislation would avoid such embarrassments in the future by bringing everyone together to ensure that management of the Park is conducted by agreement, not edict. It will ensure that everyone has a seat at the table when the decisions are made. Above all, this new management council will return democracy to the preservation of Voyageurs National Park. It will return to the people of northern Minnesota a voice in how the park is operated and its impact on their communities, economy and livelihood.

Mr. President, I spoke earlier today of a growing movement toward democracy in America—born in the heartland of our Nation, led by the American people, and headed toward Washington. Since holding two public field hearings in Minnesota on this issue last year, I have heard from numerous citizen organizations, community leaders, and average Minnesotans about the management of the park and how their daily lives are affected by it.

Their message is simple: Let us have a say in how our natural resources are maintained—return some of the power to the people—give us back our government and our country. The silent majority, which has been suppressed for so many years, is now finding its voice again—and it is our responsibility to listen to it and act upon it. By conducting our field hearings, which attracted well over 2,000 Minnesotans, we took the first step by listening. Now, we must move ahead and take action.

During those hearings, I heard a number of people give profound and often moving testimony. Many presented facts and figures—invaluable data about the history and management about the park. But what struck me the most during the hearings were the personal stories—the real-life accounts about how the Federal Government and its mismanagement of Voyageurs National Park has truly changed the lives of the people it was created to serve.

One of these stories belonged to Carol Selsaas of Cohasset, MN. In her testimony, Carol described the work of her late father, George Esslinger, who was one of the strongest supporters in northern Minnesota for the creation of Voyageurs National Park.

Carol said:

> For over 9 years, my father worked with other men and women to fight for the creation of the park. He assisted the Department of the Interior in physically identifying the boundaries of the park. He traveled and spoke in favor of the park. He gave his heart and soul to the park. He believed the area he supported for a national park should be maintained for the enjoyment of all people: snowmobilers, cross country skiers, boaters, hikers, fishermen, hunters, yes and even dog sledders. He felt that this would be a park for everyone who had respect for this land, not one locked up except for a chosen few.

Carol went on to describe how her father supported the park with the understanding that the trails and roads already established—over 200 miles on the Kabetogama Peninsula alone—would be maintained. To date, all but 12 miles are now closed off to public access. On one of those closed off trails, Carol said, rests a memorial to her father placed by the Park Service. With tears in her eyes, she said that because of the inaccessibility of the trail, she has never been able to visit her father's memorial.

''My father died knowing that he had been lied to,'' said Carol. ''He died apologizing to me, his grandson, his community. On his death bed, I promised that I would fulfill his wish and tell the story of how he was misled in his support for Voyageurs National Park.''

Indeed, she did—as did many other of my fellow Minnesotans. We cannot forget their words or discard their testimonies. In the sterile halls of the Federal buildings here in Washington, the words of Carol Selsaas and others may not mean much, but to me, they describe the heartfelt emotions and passions about the culture of northern Minnesota—a culture that Washington may not understand, but cannot take for granted.

Nor can we hide in the halls of Congress from the march of democracy that is spreading throughout the heartland of our country. If we are truly committed to operating as the open democracy described by President Lincoln, we must turn the tide and return power back to its legitimate source in America: the people.

The legislation I introduce today is a necessary step in bringing the principles of democracy back to one small, but important region of our Nation. Let us no longer obstruct the march of democracy but help pave the way for it across America.

Mr. President, I ask unanimous consent that the test of the bill be printed in the RECORD.

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

S. 1805

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Voyageurs National Park Accessibility and Partnership Act of 1996''.

SEC. 2. FINDINGS.

Congress finds that—

(1) Voyageurs National Park serves as a unique federal park unit in 1 of the Nation's distinguished natural ecosystems;

(2) Voyageurs National Park shall serve as a year-round multiple-use recreational unit as mandated under Public Law 91–661;

(3) current management of Voyageurs National Park has unilaterally restricted use and accessibility within certain portions of the park;

(4) intergovernmental cooperation that respects and emphasizes the role of State, local, and tribal governments in land management decision-making processes is essential to optimize the protection and development of social, historical, cultural, and recreational resources; and

(5) the national interest is served by—

(A) improving the management and protection of Voyageurs National Park;

(B) ensuring appropriate public access, enjoyment, and use throughout Voyageurs National Park; and

(C) allowing Federal, State, local, and tribal governments to engage in an innovative management partnership in Federal land management decisionmaking processes.

SEC. 3. PLANNING AND MANAGEMENT COUNCIL.

Public Law 91–661 (16 U.S.C. 160 et seq.) is amended—

(1) by redesignating sections 304 and 305 (16 U.S.C. 160i and 160j) as sections 306 and 307, respectively; and

(2) by inserting after section 303 (16 U.S.C. 160h) the following:

"SEC. 304. PLANNING AND MANAGEMENT COUNCIL.

''(a) ESTABLISHMENT.—There is established the Voyageurs National Park Intergovernmental Council (referred to in this Act as the 'Council').

''(b) DUTIES OF THE COUNCIL.—The Council shall develop and monitor a comprehensive management plan for the park in accordance with section 305.

''(c) MEMBERSHIP.—The Council shall be composed of 11 members, appointed by the Secretary, of whom—

''(1) 1 member shall be the Assistant Secretary for Fish and Wildlife and Parks, or a designee;

''(2) 3 members shall be appointed, from recommendations by the Governor of Minnesota, to represent the Department of Natural Resources, the Office of Tourism, and the Environmental Quality Board, of the State of Minnesota;

''(3) 1 member shall be a commissioner from each of the counties of Koochiching and Saint Louis, appointed from recommendations by each of the county boards of commissioners;

''(4) 1 member shall be a representative from the cities of International Falls and Orr, appointed from recommendations by each of the city councils;

''(5) 1 member shall be a State senator who represents a legislative district that contains a portion of the park, appointed from a recommendation by the Governor of Minnesota;

''(6) 1 member shall be a State representative who represents a legislative district that contains a portion of the park, appointed from a recommendation by the Governor of Minnesota;

''(7) 1 member shall be an elected official from the Northern Counties Land-Use Coordinating Board, appointed from recommendations by the Board; and

''(8) 1 member shall be an elected official of the Native American community to represent the 1854 Treaty Authority, appointed from recommendations by the Authority.

''(d) ADVISORY COMMITTEES.—

''(1) IN GENERAL.—The Council may establish 1 or more advisory committees for consultation, including committees consisting of members of conservation, sportsperson, business, professional, civic, and citizen organizations.

''(2) FUNDING.—An advisory committee established under paragraph (1) may not receive any amounts made available to carry out this Act.

''(e) QUORUM.—A majority of the members of the Council shall constitute a quorum.

''(f) CHAIRPERSON.—

''(1) ELECTION.—The members of the Council shall elect a chairperson of the Council from among the members of the Council.

''(2) TERMS.—The chairperson shall serve not more than 2 terms of 2 years each.

''(g) MEETINGS.—The Council shall meet at the call of the chairperson or a majority of the members of the Council.

''(h) STAFF AND SERVICES.—

''(1) STAFF OF THE COUNCIL.—The Council may appoint and fix the compensation of such staff as the Council considers necessary to carry out this Act.

''(2) PROCUREMENT OF TEMPORARY SERVICES.—The Council may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

''(3) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide to the Council, on a reimbursable basis, such administrative support services as the Council requests.

''(4) PROVISION BY THE SECRETARY.—On a request by the Council, the Secretary shall provide personnel, information, and services to the Council to carry out this Act.

''(5) PROVISION BY OTHER FEDERAL DEPARTMENTS AND AGENCIES.—A Federal agency shall provide to the Council, on a reimbursable basis, such information and services as the Council requests.

''(6) PROVISION BY THE GOVERNOR.—The Governor of Minnesota may provide to the Council, on a reimbursable basis, such personnel and information as the Council may request.

''(7) SUBPOENAS.—The Council may not issue a subpoena nor exercise any subpoena authority.

''(i) PROCEDURAL MATTERS.—

''(1) GUIDELINES FOR CONDUCT OF BUSINESS.—The following guidelines apply with respect to the conduct of business at meetings of the Council:

''(A) OPEN MEETINGS.—Each meeting shall be open to the public.

''(B) PUBLIC NOTICE.—Timely public notice of each meeting, including the time, place, and agenda of the meeting, shall be published in local newspapers and such notice may be given by such other means as will result in wide publicity.

''(C) PUBLIC PARTICIPATION.—Interested persons shall be permitted to give oral or written statements regarding the matters on the agenda at meetings.

''(D) MINUTES.—Minutes of each meeting shall be kept and shall contain a record of the persons present, an accurate description of all proceedings and matters discussed and conclusions reached, and copies of all statements filed.

''(E) PUBLIC INSPECTION OF RECORD.—The administrative record, including minutes required under subparagraph (D), of each meeting, and records or other documents that were made available to or prepared for or by the Council incident to the meeting, shall be available for public inspection and copying at a single location.

''(2) NEW INFORMATION.—At any time when the Council determines it appropriate to consider new information from a Federal, State, or local agency or from a Council advisory body, the Council shall give full consideration to new information offered at that time by interested members of the public. Interested parties shall have a reasonable opportunity to respond to new data or information before the Council takes final action on management measures.

''(j) COMPENSATION.—

''(1) IN GENERAL.—A member of the Council who is not an officer or employee of the Federal government shall serve without pay when carrying out duties pursuant to this Act.

''(2) TRAVEL EXPENSES.—While away from the home or regular place of business of the member in the performance of services for the Council, a member of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Federal Government service are allowed expenses under section 5703 of title 5, United States Code.

''(k) FUNDING.—Of amounts appropriated to the National Park Service for a fiscal year, the Secretary shall make available such amounts as the Council shall request, not to exceed $150,000 for the fiscal year.

''(l) TERMINATION OF COUNCIL.—The Council shall terminate on the date that is 10 years after the date of enactment of this subsection.

"SEC. 305. MANAGEMENT PLAN.

''(a) SCHEDULE.—

''(1) IN GENERAL.—Not later than 3 years after the date of enactment of this subsection, the Council shall submit to the Secretary and the Governor of Minnesota a comprehensive management plan (referred to in this section as the 'plan') for the park, to be developed and implemented by the responsible Federal agencies, the State of Minnesota, and local political subdivisions.

''(2) PRELIMINARY REPORT.—Not later than 1 year after the date of the first meeting of the Council, the Council shall submit a preliminary report to the Secretary describing the process to be used to develop the plan.

''(b) DEVELOPMENT OF PLAN.—

''(1) IN GENERAL.—In developing the plan, the Council shall examine all relevant issues, including—

''(A) appropriate public access and recreational use, including—

''(i) snowmobiling opportunities;

''(ii) campsites and trails;

''(iii) the management policies of harvesting fish and wildlife;

''(iv) aircraft access throughout the park;

''(v) policies affecting hiking, bicycling, snoeshoeing, skiing, current watercraft opportunities, and other recreational activities the Council considers appropriate for the park; and

''(vi) visitation and services at the Kettle Falls facilities;

''(B) the proper distribution of visitors in the park;

''(C) a comprehensive visitor education program; and

''(D) the need for wilderness management for certain areas of the park.

''(2) CONDITIONS.—In carrying out subparagraphs (A) through (D) of paragraph (1), the Council shall—

''(A) be subject to relevant environmental law;

''(B) consult on a regular basis with appropriate officials of each international, Federal, or State agency or local government that has jurisdiction over land or water in the park;

''(C) consult with interested conservation, sportsperson, business, professional, civic, and citizen organizations; and

''(D) conduct public meetings at appropriate places to provide interested persons the opportunity to comment on matters to be addressed by the plan.

''(3) PROHIBITED CONSIDERATIONS.—The Council may not consider—

''(A) removing park designation; or

''(B) allowing mining, logging, or commercial or residential development.

''(4) REPORT.—The Council shall report to the International Joint Commission on water levels in the Rainy Lake Watershed, pursuant to the Convention Providing for Emergency Regulation of the Level of Rainy Lake and of Certain Other Boundary Waters, signed at Ottawa September 15, 1938 (54 Stat. 1800).

''(c) APPROVAL OF PLAN.—

''(1) SUBMISSION TO SECRETARY AND GOVERNOR.—The Council shall submit the plan to the Secretary and the Governor of Minnesota for review.

''(2) APPROVAL OR DISAPPROVAL BY SECRETARY.—

''(A) REVIEW BY THE GOVERNOR.—The Governor may comment on the plan not later than 60 days after receipt of the plan from the Council.

''(B) SECRETARY.—

''(i) IN GENERAL.—The Secretary shall approve or disapprove the plan not later than 90 days after receipt of the plan from the Council.

''(ii) CRITERIA FOR REVIEW.—In reviewing the plan, the Secretary shall consider—

''(I) the adequacy of public participation;

''(II) assurances of plan implementation from State and local officials in Minnesota;

''(III) the adequacy of regulatory and financial tools that are in place to implement the plan;

''(IV) provisions of the plan for continuing oversight by the Council of implementation of the plan; and

''(V) the consistency of the plan with Federal law.

''(iii) NOTIFICATION OF DISAPPROVAL.—If the Secretary disapproves the plan, the Secretary shall, not later than 30 days after the date of disapproval, notify the Council in writing of the reasons for the disapproval and provide recommendations for revision of the plan.

''(C) REVISION AND RESUBMISSION.—Not later than 60 days after receipt of a notice of disapproval under subparagraph (B) or (D), the Council shall revise and resubmit the plan to the Secretary for review.

''(D) APPROVAL OR DISAPPROVAL OF REVISION.—The Secretary shall approve or disapprove a plan submitted under subparagraph (C) not later than 30 days after receipt of the plan from the Council.

''(d) REVIEW AND MODIFICATION OF IMPLEMENTATION OF PLAN.—The Council—

''(1) shall review and monitor the implementation of the plan; and

''(2) may, after providing for public comment and after approval by the Secretary, modify the plan, if the Council and the Secretary determine that the modification is necessary to carry out this Act.

''(e) INTERIM PROGRAM.—Before the approval of the plan, the Council shall advise and cooperate with appropriate Federal, State, local, and tribal governmental entities to minimize adverse impacts on the park.

''(f) NATIONAL PARK SERVICE REGULATIONS.—During the period beginning on the date of enactment of this subsection and ending on the date a management plan is approved by the Secretary under subsection (c)(2), the Secretary may not issue any regulation that relates to the park, except for—

''(1) regulations required for routine business, such as maintenance, visitor education, and law enforcement; and

''(2) emergency regulations.

''(g) STATE AND LOCAL JURISDICTION.—Nothing in this Act diminishes, enlarges, or modifies any right of the State of Minnesota or any political subdivision of the State to—

''(1) exercise civil and criminal jurisdiction;

''(2) carry out State fish and wildlife laws in the park; or

''(3) tax persons, corporations, franchises, or private property on land and water included in the park.''.

By Mr. D'AMATO (for himself, Mr. DODD and Mr. FRIST):

S. 1806. A bill to amend the Federal Food, Drug, and Cosmetic Act to clarify that any dietary supplement that claims to produce euphoria, heightened awareness or similar mental or psychological effects shall be treated as a drug under the Act, and for other purposes; to the Committee on Labor and Human Resources.

LEGISLATION TO CONTROL HERBAL STREET DRUGS

● Mr. D'AMATO. Mr. President, today I am introducing legislation—along with my colleagues Senators DODD and FRIST—to control the growing problem of dangerous herbal stimulants that are marketed and sold as alternatives to powerful and illegal street drugs. This carefully-drafted bill will make these herbal street drugs subject to pre-market safety reviews and allow the Food and Drug Administration, the FDA, to take prompt and decisive action against this narrow class of products.

I strongly support the right of the American people to have access to legitimate dietary supplements, and I want to clearly state that this bill will not limit that access. However, herbal street drugs are not legitimate dietary supplements. They are quite simply dangerous products masquerading as dietary supplements to evade Government review and sanctions.

Mr. President, on March 7, 1996, one of these products, called Ultimate Xphoria, killed 20-year-old Peter Schlendorf of Northport, NY. Peter, a junior at the State University of New York at Albany, died from a lethal combination of herbal stimulants found in this product. A statement issued by the medical examiner's office in Panama City, FL, where Peter died, specifically states that Peter's death ''was a result of the use of Ultimate Xphoria, an herbal product containing Ma Huang.'' Ma Huang—also known as Ephedra—is a botanical source of the powerful stimulant ephedrine. The medical examiner's statement lists Peter's cause of death as the ''synergistic effect of ephedrine'' and several other herbal stimulants contained in this product. The statement further explains that these stimulants ''can have an adverse effect on the heart and central nervous system.''

Mr. President, I am committed to doing everything that I can to ensure that no more young people die from these dangerous herbal street drugs. And let me be perfectly clear: if Congress fails to act, it will just be a matter of time before these products kill more young people.

This is a battle to protect our children. The slick peddlers of these herbal street drugs have specifically targeted young people. They sell their products in novelty shops, using flashy signs and posters that appeal to and attract adolescents. They give their products names like Cloud 9, Herbal Ecstacy, Ultimate Xphoria, Magic Mushrooms and E-Ludes.

Using the Internet and showy brochures, they hawk their dangerous wares with promises of ''euphoric stimulation, highly increased energy levels, tingly skin sensations, increased sexual sensations, enhanced sensory processing and mood elevations.'' One product, called Herbal Ecstacy, even claims that it is ''a carefully formulated and thoroughly tested organic alternative to actual MDMA or Ecstacy''—a dangerous, illegal street drug. The marketing brochure for this product further states that it ''acts on the same basis as MDMA, triggering similar, but not identical, physical reactions in the body.'' This is just outrageous.

In addition, many of these products falsely claim to be safe and tested. Some are even advertised as ''100 percent and FDA approved'' and as ''100 percent natural . . . with no side effects''. As Peter's death clearly demonstrates, however, these products can be deadly, and none are FDA-approved. How can the producers of these herbal street drugs claim that they are safe and tested when they can produce such tragic results? This is wrong and must be stopped.

The manner in which these products are marketed invites misuse by unsuspecting young people. These products are advertised as alternatives to street drugs. They are intended to get young people high. And what happens when the recommended dosage doesn't achieve the desired high? Then, the claims that these products are safe, natural and thoroughly tested lure young people into taking larger dosages. Indeed, some sellers are telling people to take two, three and four times the recommended dosage to achieve the desired high.

Mr. President, the legislation that I am introducing today will help to ensure that no more young people die from these dangerous products. The bill amends the Federal Food, Drug, and Cosmetic Act to clarify that a dietary supplement shall be considered a drug if its label or labeling claims or implies that the dietary supplement produces euphoria, heightened awareness or similar mental or psychological effects. As a result, this narrow class of dangerous products will be subject to the same premarket safety reviews as other drugs, and the FDA will have enhanced authority to take prompt and decisive action against them. Now, the FDA will be able to quickly pull these herbal street drugs, like the one that killed Peter Schlendorf, from stores before they kill again. This legislation is necessary to protect the health of the American public, particularly its youth, who are obviously the target of these dangerous herbal street drugs.

Again, let me clearly state that this bill has been carefully drafted to maintain the public's continued access to legitimate dietary supplements. For example, it will not limit access to either over-the-counter drugs, such as Sudafed, or legitimate dietary supplements, such as herbal teas, that contain ephedra or its related products.

I am certain that no Member of Congress envisioned that the Dietary Supplement Health and Education Act of 1994—the Dietary Supplement Act—would protect dangerous products like these herbal street drugs, but these products are currently covered by the literal language of that act. Since these products are considered dietary

supplements under current law, the FDA's authority to regulate them is significantly limited. For example, these products are not currently subject to premarket safety reviews. In addition, the FDA cannot regulate herbal street drugs as a class, but instead must take action against each product individually. Indeed, the FDA must prove that a particular formulation of an herbal street drug ''presents a significant or unreasonable risk of illness or injury'' before it can take any action against the product. This is a lengthy process that can take years.

Moreover, under current law, an herbal street drug manufacturer can easily evade an FDA enforcement action simply by changing the composition of its product, while continuing to make the same labeling claims for drug-like mental and psychological effects. Each time the product formula changes, the FDA must evaluate the new formula and build its case from the beginning. The product formula thus becomes a moving target that the FDA must chase. The FDA should not have to chase herbal street drugs.

Some will argue that this legislation is unnecessary and that the FDA already has the authority to take action against herbal street drugs, but the clever producers and marketers of these herbal street drugs have been careful to take advantage of the protections afforded legitimate dietary supplements under the Dietary Supplement Act. For example, under that act, a dietary supplement is not subject to regulation as a drug simply because its label or labeling bears a truthful, nonmisleading claim regarding its effect on the body. This provision significantly limits the FDA's ability to take action against the peddlers of herbal street drugs who use carefully worded labels to evade FDA review and control.

Other options available to the FDA would also be ineffective against herbal street drugs. For example, the Dietary Supplement Act gives the Secretary of Health and Human Services the authority to declare that a dietary supplement poses an imminent hazard to public health or safety. Once such a declaration is made, the dietary supplement can be banned. A formal imminent hazard declaration requires lengthy formal rulemaking procedures, however, including a trial-type hearing before an administrative law judge. In addition, because what sells an herbal street drug is its claims rather than its ingredients, the imminent hazard declaration can easily be defeated by a formulation change without any label change. One can easily imagine the slick peddlers of these products switching a single ingredient—for example, from ephedra to kava-kava, another powerful herbal stimulant—just as the FDA is knocking on their door.

Mr. President, the marketing of herbal street drugs as dietary supplements, rather than as drugs, does not promote any of the goals identified by Congress in the Dietary Supplement Act. That act was intended to promote the public health. Congressional findings in section 2 of the act cite the role of a healthy diet, including safe dietary supplements in disease prevention, long-term good health, and reducing health care costs. Far from promoting the public health, herbal street drugs endanger the health and safety of consumers and give rise to unnecessary medical costs.

These dangerous products are not taken for nutritional purposes or to otherwise improve health and thus are not within the intended coverage of the Dietary Supplement Act. The manufacturers of herbal street drugs should not be permitted to abuse the Dietary Supplement Act by using it to legitimize the marketing of dangerous products. A narrowly drafted statutory amendment to correct the inclusion of herbal street drugs in the language of the act would achieve the intent of Congress by closing a loophole that Congress never intended to create.

Herbal street drugs killed young Peter Schlendorf. We have to make sure that this does not happen again. We have carefully drafted this legislation to target the narrow class of products that killed Peter—products that are being marketed and sold to young people as safe and legal alternatives to dangerous, illegal street drugs. We must take action quickly. I urge my fellow Senators to support this effort and quickly pass this legislation. If we wait, herbal street drugs will end more promising, young lives.●

● Mr. DODD. Mr. President, I am proud to sponsor this very important legislation with my colleagues, Senators D'AMATO and FRIST. In my view, the legislation is necessary to protect the American public, and particularly our Nation's youth, from what amount to common street drugs.

The makers of these products make no attempt to sell them as products to improve health or nutrition. The products carry names like ''Herbal Ecstacy,'' ''Ultimate X-Phoria,'' and ''Cloud 9.'' One product claims ''It is a carefully formulated and thoroughly tested organic alternative to actual MDMA or Ecstacy.'' I hardly think any of us believe that our Nation's children should be able to go into any novelty store and buy the equivalent of a powerful, dangerous, and I might add, illegal street drug.

Let me share with you the claims and promotional language of these products, lest there be any doubt what there purpose is for:

> The effects of Herbal Ecstacy beyond smart drug capacity include: Euphoric stimulation; highly increased energy levels; tingly skin sensations; enhanced sensory processing; mood elevations.
>
> Herbal Ecstacy acts on the same basis as MDMA, triggering similar but not identical physical reactions in the body.
>
> Our herbs are 100% natural and are uniquely formulated to give you a floaty, energetic, mind expanding, euphoric experience.

And listen to what is presented on a brochure as endorsements by users:

> They don't call it ''ultimate'' for nothing!
>
> This puts everything else I've tried to shame!!

Now, Mr. President, I guess we might feel differently if we knew these products were without risk. But the fact is, they have proven deadly. Peter Schlendorf, a 20-year-old from York, FL, died because he took one of these products. The cause of death was identified by the medical examiner's office in the Florida town where Peter died.

The makers of these products claim they are nutritional supplements, legitimately sold and promoted. They point to a law passed a couple of years ago that was meant to govern legitimate dietary supplements, that improve health and nutrition. But make no mistake. These products do nothing to improve health and nutrition.

So, the legislation we are proposing today is very simple. It says that products claiming to produce euphoria, heightened awareness or similar mental or psychological effects shall be treated as a drug. It would make the products subject to the same review, by the U.S. Food and Drug Administration, as other drugs. The products are not banned. And the bill will have no effect on legitimate dietary supplements. It only will affect products that are marketed and sold as alternatives to powerful street drugs.

Mr. President, it is my hope that we can act quickly on this legislation and prevent the kind of tragedy experienced by the Schlendorfs.●

● Mr. FRIST. Mr. President, I rise today to join my distinguished colleague from New York in introducing legislation to address an alarming problem facing our children today.

A new class of street drugs is endangering our Nation's young people. These products are being portrayed as safe, natural alternatives to illegal street drugs, but they are far from safe.

As a medical doctor who specialized in heart ailments, I am familiar with the powerful and even life-threatening effect some of these products can have on the human heart and central nervous system. And as the father of three young boys of the ages 8, 10 and 12, I am outraged at the way these products are being blatantly marketed toward children and young adults.

Therefore, I have joined Senators D'AMATO and DODD in introducing a bill that will control the growing problem of herbal street drugs. This bill will classify as drugs products marketed and sold, particularly to young people, as alternatives to illegal street drugs. As a result these products will be subject to the same Federal review and sanctions as other pharmaceuticals.

This bill will not limit public access to legitimate dietary supplements and over-the-counter medications. It is not drafted to limit public access to products that contain particular ingredients. The producers of legitimate products that make truthful claims about their product have nothing to fear from

this bill. To the contrary, they should support the intent of this bill because it addresses the problem of unscrupulous manufacturers who are giving the dietary supplement industry a bad name and abusing the very laws which permit dietary supplement manufacturers to place truthful and nonmisleading claims on their products.

These herbal street drugs pose significant health risks to consumers. These products are marketed under a variety of brand names, including Cloud 9, Herbal Ecstasy and Ultimate Xphoria, with labels that claim or imply that they produce such effects as euphoria, heightened awareness and other effects. These labels often portray the products as legal alternatives to illegal street drugs such as ''ecstasy.'' ''Ecstasy'' is the street name for MDMA (4-methyl-2, dimethoxyamphetamine), which produces euphoria.

These products often contain botanical sources of ephedrine. Ephedrine is an amphetamine-like stimulant that can have potentially dangerous effects on the heart and central nervous system. Possible adverse effects range from clinically significant effects such as heart attack, stroke, seizures, psychosis and death, to clinically less significant effects that may indicate the potential for more serious effects. These effects can include dizziness, headache, gastrointestinal distress, irregular heartbeat, and heart palpitations. The labels on these herbal street drugs may list one or more ephedrine-containing ingredients, including ma huang, Chinese ephedra, ma huang extract, ephedra, Ephedra sinica, ephedra extract, ephedra herb powder, epitonin or ephedrine.

Ephedrine and its related products are also available in many legitimate forms that will not be affected by this bill. For example, ephedrine can be useful for treating mild forms of seasonal or chronic asthma and is also FDA-approved for treating enursesis hypotension, nasal congestion and sisustitis.

According to a statement by the Panama City, Florida medical examiner, 20-year-old Peter Schlendorf died ''as a result of the use of Ultimate Xphoria, an herbal product containing Ma Huang''. Peter's cause of death was listed as the ''synergistic effect of ephedrine, pseudo-ephedrine, phenylpropanolamine and caffeine''. There is no question that this combination of stimulants can have an adverse effect on the heart and central nervous system.

As lawmakers, we have a responsibility to make sure that no more young people die from these herbal street drugs. This bill provokes debate on this important issue. I have already been contacted by a major trade association, the Council for Responsible Nutrition [CRN], and the Nutritional Health Alliance, an industry and consumer coalition, expressing a desire to work with us to reach an effective solution to this issue. I urge all interested parties to come to the table and address the serious consequences of allowing these herbal street drugs to fall into the hands of our children.●

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 1807. A bill to amend the Alaska Native Claims Settlement Act, regarding the Kake Tribal Corporation public interest land exchange; to the Committee on Energy and Natural Resources.

KAKE LAND EXCHANGE LEGISLATION

● Mr. MURKOWSKI. Mr. President, today I introduce the Kake Tribal Land Exchange Act on behalf of myself and Senator STEVENS. This legislation would amend the Alaska Native Claims Settlement Act which authorized the transfer of 23,040 acres of land from the U.S. Government to Kake Tribal Corporation.

The land was transferred to Kake to recognize ''an immediate need for a fair and just settlement''

Unfortunately, Kake has not received the full beneficial use of its 23,040 acres because the city's watershed—over 2,400 acres—rest within Kake Tribal's lands. In order to protect the city's watershed and still receive beneficial use of their 23,040 acres we are proposing an acre-for-acre land exchange. This will assist the people of Kake, AK, as they move toward a safer, cleaner, and healthier future.

Under this proposal, Kake Tribal would exchange the watershed for 2,427 acres in southeast Alaska, thereby allowing Kake to receive its full entitlement under ANCSA. This legislation is of great importance to the residents of the community of Kake, AK.

This legislation will ensure protection of the Gunnuk Creek watershed which is the main water supply for the city of Kake as well as protect critical habitat for the Gunnuk Creek hatchery.

The legislation has received wide support in Alaska from diverse groups such as: The Southeast Alaska Conservation Council, the city of Kake, AK, the Organized Village of Kake, the Kake non-profit fishery, the Alaska Federation of Natives, and Sealaska Corporation.

Additionally, the Governor of Alaska has written to me in support of this exchange. Attached are copies of some of the letters of support I have received for the record at this time.

Because this is an acre-for-acre exchange there will be no cost to the Federal Government. I introduced this legislation with the confidence that it is in the best interest of not only the citizens of Kake but with the knowledge that it is in the best interest of all Americans to protect drinking water for our communities. Lastly, this legislation will help fulfill our commitment to the Natives of Alaska that they will be treated fairly and justly under the Alaska Native Claims Settlement Act.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1807

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Kake Tribal Corporation Land Exchange Act.''

SEC. 2. AMENDMENT OF SETTLEMENT ACT.

The Alaska Native Claims Settlement Act (Public Law 92–203, December 18, 1971, 85 Stat. 688, 43 U.S.C. 1601 et seq.), as amended, is further amended by adding a new section to read:

SEC. 40. KAKE TRIBAL CORPORATION LAND EXCHANGE.

(a) To provide Kake Tribal Corporation with land suitable for development, to acknowledge the corporation's return to public ownership land needed as a municipal watershed area, and to promote the public interest, the Secretary shall convey to the corporation approximately 2, 427 acres of Federal land as described in subsection (c). The land to be conveyed includes:

(1) up to 388 acres in the Slate Lakes area, as described in (c)(2) of this section, if, within five years after the effective date of this section, the corporation has entered into an agreement to lease or otherwise convey some or all of the land to the operator of the Jualin Mine; or,

(2) at the corporation's option, the 388 acres mentioned in (1) of this subsection and the remaining 2,039 acres may be conveyed from the acres described in (c)(3) of this section.

(b) TITLE TO SURFACE AND SUBSURFACE.—Subject to valid existing rights and easements, the Secretary shall, no later than the deadlines specified in (c)(2) and (3) of this section, convey to Kake Tribal Corporation title to the surface estate in this land and convey to Sealaska Corporation title to the subsurface estate in that land.

(c) DESCRIPTION AND DEADLINES.—The land covered by this section is in the Copper River Meridian and is further described as follows:

(1) the land to be conveyed by Kake Tribal Corporation to the United States, no later than 90 days after the effective date of this section, as shown on the map dated _____ and labeled Attachment A, is the municipal watershed area and is described as follows:

Municipal watershed

Section	*Approximate acres*
T56S, R72E	
13	82
23	118
24	635
25	640
26	346
34	9
35	349
36	248
Approximate total	2,427

(2) Kake Tribal Corporation shall have the option to select up to 388 acres in the Slate Lakes area, as shown on the map dated _____ and labeled Attachment B. This option shall remain in effect for five years after the date of enactment of this section. The land to be conveyed is identified on the following maps as:

Slake lakes area

Section	*Description*	*Approximate acres*
	T35S, R62E	
22	E½	27
23	W½	152
26	W½	119
27	E½	23
	T36S, R62E	
1	W½, NW¼	38
Two utility corridors: One beginning in the northwest quarter of section 1, T36S, R62E, heading northwest through the northeast quarter of section 2, then heading northwest through section 26, T35S, R62E; another beginning in section 23, T35S, R62E, heading northeast, then heading northwest through section 23, then northwest through the southwest quarter of section 15, then northwest through section 16, then turning northeast in the northeast quarter of section 16 to the Jualin patented group.		
Approximate total.		388

(3) the remaining 2,039 acres of land to be conveyed to Kake Tribal Corporation, or the entire 2,427 acres if the option on the 388 acres mentioned in (2) of this subsection is not exercised, shall be land in the Hamilton Bay and Saginaw Bay areas and shall be conveyed within 90 days after the effective date of this section; this land is shown on the maps dated _____ and labeled Attachments C and D.

(d) TIMBER MANUFACTURING.—Notwithstanding any other provision of law, timber harvested from lands conveyed to Kake Tribal Council pursuant to this Act shall not be available for export as unprocessed logs from Alaska, nor may Kake Tribal Corporation sell, trade, exchange, substitute, or otherwise convey such logs to any other person for the purpose of exporting such logs from their.

(e) RELATION TO OTHER REQUIREMENTS.—The land conveyed to Kake Tribal Corporation and Sealaska Corporation under this section is, for all purposes, considered land conveyed under the Alaska Native Claims Settlement Act.

(f) MAPS.—The maps referred to in this section shall be maintained on file in the Office of the Chief, United States Forest Service, and in the Office of the Secretary of the Interior, Washington, D.C. The acreage cited in this section is approximate, and if a discrepancy arises between cited acreage and the land depicted on the specified maps the maps shall control. The maps do not constitute an attempt by the United States to convey State or private land.●

By Mr. MURKOWSKI (for himself and Mr. JOHNSTON):

S. 1808. A bill to amend the Act of October 15, 1966 (80 stat. 915), as amended, establishing a program for the preservation of additional historic property throughout the Nation, and for other purpose; to the Committee on Energy and Natural Resources.

THE NATIONAL HISTORIC PRESERVATION ACT OF 1966 AMENDMENT ACT OF 1996

● Mr. MURKOWSKI. Mr. President, on behalf of Senator JOHNSTON and myself, I introduce a bill to amend the National Historic Preservation Act of 1966, that, when enacted, will continue the appropriations authorization for the Advisory Council on Historic Preservation.

Established in 1966, the Council is an independent Federal agency responsible for advising the President and the Congress on historic preservation matters and commenting to Federal agencies on the effects of their activities upon historic properties.

Mr. President, over the past three decades, the Congress has made a substantial commitment to the preservation and encouragement of our national heritage. Established by the National Historic Preservation Act, the Advisory Council on Historic Preservation has served to improve the effectiveness and coordination of public and private efforts in historic preservation.

Historic preservation safeguards physical links to the past. It is through these links that our important cultural resources are preserved and passed on to succeeding generations. Destruction of our significant cultural and historic resources serves no purpose. Our memory of important history only becomes more difficult without the various fabrics to view, touch and or experience.

Congress recognized this principle in the National Historic Preservation Act of 1966: ''The historical and cultural foundations of the nation should be preserved as a living part of our community life and development in order to give a sense of orientation to the American people.''

Mr. President, in addition to many educational programs, one of the most important functions of the Advisory Council is mediating between any Federal agency issuing a permit and the individual who is planning to develop his property. Under the terms of Section 106 of the National Historic Preservation Act, the Council seeks to negotiate a memorandum of agreement in such cases, setting forth what will be done to reduce or avoid and adverse effects the undertaking will have.

While the section 106 process has often been described as contentious by private property rights advocates and others, I believe the Advisory Council can and should serve as a solution to resolving conflicts between a sometimes over-reaching bureaucracy and the individual property owner.

It is my hope that the committee hearing process will shed light on the problems, address the issues, as well as the successes of the Council; and that we can move forward on this important program in a positive and constructive manner.

The Council's appropriations authorization expires with the current fiscal year. This legislation will authorize the continuing work of the Council by providing appropriations authority from fiscal year 1997 through fiscal year 2002.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1808

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That the Act of October 15, 1966 (80 Stat. 915), as amended (16 U.S.C. Section 470 et seq.) is further amended as follows:

(a) Section 212(a) is amended by deleting the last sentence and inserting in lieu thereof the sentence ''There are authorized to be appropriated not to exceed $5,000,000 in each fiscal year 1997 through 2002.''●

By Mr. MURKOWSKI:

S. 1809. A bill entitled the ''Aleutian World War II National Historic Areas Act of 1996''; to the Committee on Energy and Natural Resources.

THE ALEUTIAN WORLD WAR II NATIONAL HISTORIC AREAS ACT OF 1996

● Mr. MURKOWSKI. Mr. President, I introduce a bill entitled the ''Aleutian World War II National Historic Areas Act of 1996.''

Mr. President, the Ounalashka Corporation is the Alaska Native village corporation for the Unalaska region of the Western Aleutian Islands. The Corporation is the major land owner of Amaknak Island, where the City of Unalaska is located. The Corporation has been working closely with municipal officials of the City of Unalaska to identify Corporation land which would be Federally recognized and designated as a unique ''historic area''.

Many have forgotten that during World War II, Unalaska came under attack. Unalaska was raided and bombed by Japanese aircraft in one of the few sieges on U.S. territory. This area of Amaknak Island was heavily fortified, and much of the original bunkers, tunnels, and buildings remain. The Corporation owns the majority of land and facilities occupied by U.S. military forces on Amaknak Island during the war.

The area is rich in history and memories. In recent years World War II veterans who were stationed in Unalaska, and in some cases family members, have made pilgrimages back to honor fallen friends and relive the past.

In addition to the historic significance of Unalaska during the War, there is also a compelling story of the Aleutian Islands indigenous people which is not well known. Alaska Native people from 23 villages were evacuated from the region during the War, and many were interned in relocation camps. As a result of the devastating bombing by the Japanese, the city of Unalaska was the only village that was re-inhabited following the World War II effort.

The Aleut people made substantial contributions to the war effort and yet suffered hardships similar to those of the Japanese-Americans throughout the war.

The Corporation, the City of Unalaska, and many historians believe that the history of the Aleut people and the war effort in the region are

intertwined. In response to the increased interest of the World War II veterans and their survivors who have visited Unalaska, the Corporation is considering constructing a World War II Historic Center on the Island of Amaknak to tell this unique, but little known history of the war in the Aleutians and the Aleut people to the rest of the world.

Mr. President, this legislation, when enacted, will establish the ''Aleutian World War II National Historic Area''. I am very cognizant of the adverse effects that new units of the National Park System can create on existing units of the System. This legislation provides us with a unique opportunity to work with and for the private sector in the development and operation of this important historic resources.

There will be no land acquisition or day-to-day operational expenses normally associated with other units of the National Park System. The Ounakashka Corporation has exclusive ownership and control of the lands, buildings and historic structures which would comprise the historic area.

The Corporation is not seeking land exchanges with the Department of the Interior and does not desire to convey or encumber title to, or control of, its lands to the Federal Government. The Corporation only wants to work with the Federal Government to save this significant piece of the history of the United States. The expense to the National Park Service would be minimal, and would consist of technical assistance and training. The contribution to the public will be a historic site that is preserved for the enjoyment and education of all Americans.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1809

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Aleutian World War II National Historic Areas Act of 1996''.

SEC. 2. PURPOSE.

The purpose of this Act is to designate and preserve the Aleutian World War II National Historic Area within lands owned by the Ounalaska Corporation on the island of Amaknak, Alaska and to provide for the interpretation, for the educational and inspirational benefit of present and future generations, of the unique and significant circumstances involving the history of the Aleut people, and the role of the Aleut people and the Aleutian Islands in the defense of the United States in World War II.

SEC. 3. BOUNDARIES.

The Aleutian World War II National Historic Area shall be comprised of areas on Amaknak island depicted on the map entitled ''Aleutian World War II National Historic Area''.

SEC. 4. TERMS AND CONDITIONS.

Nothing in this Act shall—

(a) authorize the conveyance of lands between the Ounalaska Corporation and the U.S. Department of the Interior, nor remove land or structures appurtenant to the land from the exclusive control of the Ounalaska Corporation; or

(b) provide authority for the Department of the Interior to assume the duties associated with the daily operation of the Historic Area or any of its facilities or structures.

SEC. 5. TECHNICAL ASSISTANCE.

The Secretary of the Interior may award grants and provide technical assistance to the Ounalaska Corporation and the City of Unalaska to assist with the planning, development, and historic preservation from any program funds authorized by law for technical assistance, land use planning or historic preservation.●

By Mr. GORTON (for himself and Mrs. MURRAY):

S. 1810. A bill to expand the boundary of the Snoqualmie National Forest and for other purposes; to the Committee on Energy and Natural Resources.

THE SNOQUALMIE NATIONAL FOREST BOUNDARY ADJUSTMENT ACT OF 1996

● Mr. GORTON. Mr. President, today I am joined by junior Senator from Washington State, Mrs. MURRAY, in introducing the ''Snoqualmie National Forest Boundary Adjustment Act of 1996.'' Earlier this week Representative JENNIFER DUNN, of Washington State, introduced identical legislation in the House.

This legislation will facilitate the exchange of land between the Weyerhaeuser Company and the Forest Service by adjusting a National Forest Boundary. As Chairman of the Interior Appropriations Subcommittee, which funds our National Forest and Parks, land exchanges result in less expense to the Federal taxpayer than do land acquisitions.

I will be working over the course of the next few months to get this legislation passed by both the House and Senate, and I encourage my colleagues to support this legislation.●

● Mrs. MURRAY. Mr. President, I fully support this landmark agreement negotiated by the Sierra Club's Cascade Checkerboard Project, the Weyerhaeuser Company, and the Forest Service. I particularly applaud the Weyerhaeuser Company's donation of approximately 1,900 acres of land, 900 acres of which will become part of the Alpine Lakes Wilderness Area.

This exchange will give Weyerhaeuser 7,200 acres of 80- to 100-year-old trees within the Mount Baker-Snoqualmie National Forest in Pierce County, WA, in exchange for 33,000 acres of company's land. Essentially, the company gets timber to cut now, and the public gets much more land upon which future forests will be grown. Both Weyerhaeuser and the Forest Service will also be better able to manage their lands as ecosystems and reduce costs and administrative burdens of checkerboard management.

I strongly support such negotiated trades. I believe it is in all of our interests to reduce the checkerboard pattern of ownership—which Congress created through a massive land grant to the Northern Pacific Railroad in 1864. I will continue to encourage cooperation between public and private landowner, and environmental and timber interests. Such agreements provide models for resolution of natural resources disputes and other environmental issues.

Mr. President, I urge the Senate to take expeditious action on this bill, which simply alters the boundary of Mount Baker-Snoqualmie National Forest. The boundary change is needed before the exchange can occur. I thank my colleagues for any support they can give to their bipartisan, non-controversial bill.●

By Mr. MACK (for himself, Mr. BRADLEY, Mr. ROTH, Mr. LAUTENBERG and Mr. BIDEN):

S. 1811. A bill to amend the Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'' to confirm and clarify the authority and responsibility of the Secretary of the Army, acting through the Chief of Engineers, to promote and carry out shore protection projects, including beach nourishment projects, and for other purposes; to the Committee on Environment and Public Works.

THE SHORE PROTECTION ACT OF 1996

Mr. MACK. Mr. President, I rise today to announce legislation I am introducing—along with Senator BRADLEY and others—to reaffirm the Federal role in beach preservation and renourishment. I want to thank the Senator from New Jersey for his steadfast efforts on this issue and for all he did to make this bill possible.

Mr. President, in my State of Florida, healthy beaches mean a healthy economy. Each year, millions of people travel from around the world to enjoy the recreational benefits of my State's coastlines. This tourist activity sustains our economy and provides hundreds of thousands of jobs for Floridians. As a consequence, people in Florida care deeply about the future of our beaches and look to us to ensure that they are properly maintained.

For 60 years, Mr. President, the U.S. Army Corps of Engineers worked in partnership with the Congress, the States, and coastal communities to devise a workable policy on sandy beach renourishment. The Corps brought to this partnership a wealth of accumulated technical expertise and institutional knowledge about beach preservation. Further, they brought funding which was leveraged with State and local participation into projects which directly benefited the Nation's coastlines.

This all ended last year when the Clinton administration turned its back on coastal communities by ending the traditional Federal role in beach renourishment. In its 1996 budget request, the administration indicated that beach preservation and maintenance was no longer of national significance.

I strongly disagree. Almost half our population lives in or near coastal communities. The coastal economy is responsible for one-third of our gross domestic product and more than 28 million jobs. Much of this economic activity derives from the vacationtime

lure of healthy beaches. These projects truly are of national significance, Mr. President, and the Corps of Engineers ought to remain a full partner in this effort.

Last year, I joined Senator BRADLEY and several of my colleagues in twice writing the administration in protest. Further, we restored the Corps' authority through the appropriations process. This victory was only short term, however, and coastal communities throughout the Nation asked Congress for assurance of a permanent Federal presence in this sector.

When the administration released this year's budget and again proposed to end the Corps' involvement in restoring beaches, we began to explore a permanent legislative solution to this problem. The culmination of our efforts is the bill we are introducing today.

Our legislation is very simple, Mr. President. We amend the mission of the Corps to include shore protection projects, and we mandate that the Corps make recommendations to Congress on specific projects that are worthy of Federal participation. Further, we require the Corps to consider benefits to the local and regional economy and ecology when considering preparing cost/benefit analyses on beach projects. And we encourage the Corps to work with the States and local communities on regional plans for the long-term preservation of our coastal resources.

Mr. President, this bill will ensure that the Federal Government remains a full partner with the States and communities on the preservation of our beach resources. This is critical to Florida and to our Nation's economy. I encourage my colleagues to join the Senator from New Jersey and me as we continue to move ahead on this issue.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1811

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Shore Protection Act of 1996''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the beach, shore, and coastal resources of the United States—

(A) are critical assets that must be protected, conserved, and restored; and

(B) provide economic and environmental benefits that are of national significance;

(2) a network of healthy and nourished beaches is essential to the economy, competitiveness in world tourism, and safety of coastal communities of the United States;

(3)(A) the coasts of the United States are an economic asset, supporting 34 percent of national employment, or 28,000,000 jobs; and

(B) the 413 coastal communities of the United States generate $1,300,000,000,000, or ⅓, of the gross domestic product;

(4)(A) travel and tourism—

(i) is the second largest sector of the economy of the United States; and

(ii) contributed over $746,000,000,000 to the gross domestic product in 1995;

(B) the health of the beaches and shoreline of the United States contributes to this economic benefit, since the leading tourist destinations in the United States are beaches; and

(C) 85 percent of all tourism-generated revenue in the United States derives from coastal communities;

(5)(A) the value of the coastline of the United States lies not only in the jobs and revenue that the coastline generates, but also in the families, homes, and businesses that the coastline protects from hurricanes, typhoons, and tropical and extratropical storms;

(B) almost 50 percent of the total United States population lives in coastal communities; and

(C) beaches provide protection to prevent the destruction of life and hundreds of billions of dollars worth of property;

(6) shoreline protection projects can provide ecological and environmental benefits by providing for, or by restoring, marine and littoral habitat;

(7)(A) the coastline of the United States is a national treasure, visited by millions of Americans and foreign tourists every year;

(B) over 90,000,000 Americans spend time boating or fishing along the coast each year; and

(C) the average American spends 10 recreational days per year on the coast; and

(8) since shoreline protection projects generate positive economic, recreational, and environmental outcomes that benefit the United States as a whole, Federal responsibility for preserving this valuable resource should be maintained.

(b) PURPOSE.—The purpose of this Act is to provide for a Federal role in shore protection projects, including projects involving the replacement of sand, for which the economic and ecological benefits to the locality, region, or Nation exceed the costs.

SEC. 3. SHORE PROTECTION.

(a) IN GENERAL.—The first section of the Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946 (33 U.S.C. 426e), is amended—

(1) in subsection (a)—

(A) by striking ''damage to the shores'' and inserting ''damage to the shores and beaches''; and

(B) by striking ''the following provisions'' and all that follows through the period at the end and inserting the following: ''this Act, to promote shore protection projects and related research that encourage the protection, restoration, and enhancement of sandy beaches, including beach restoration and periodic beach nourishment, on a comprehensive and coordinated basis by the Federal Government, States, localities, and private enterprises. In carrying out this policy, preference shall be given to areas in which there has been a Federal investment of funds and areas with respect to which the need for prevention or mitigation of damage to shores and beaches is attributable to Federal navigation projects or other Federal activities.'';

(2) in subsection (d), by striking ''or from the protection of nearby public property'' and inserting '', if there are sufficient benefits to local and regional economic development and to the local and regional ecology (as determined under subsection (e)(2)(B)),''; and

(3) in subsection (e)—

(A) by striking ''(e) No'' and inserting the following:

''(e) AUTHORIZATION OF PROJECTS.—

''(1) IN GENERAL.—No''; and

(B) by adding at the end the following:

''(2) STUDIES.—

''(A) IN GENERAL.—The Secretary shall—

''(i) recommend to Congress studies concerning shore protection projects that meet the criteria established under this Act (including subparagraph (B)(iii)) and other applicable law;

''(ii) conduct such studies as Congress requires under applicable laws; and

''(iii) report the results of the studies to the appropriate committees of Congress.

''(B) RECOMMENDATIONS FOR SHORE PROTECTION PROJECTS.—

''(i) IN GENERAL.—The Secretary shall recommend to Congress the authorization or reauthorization of shore protection projects based on the studies conducted under subparagraph (A).

''(ii) CONSIDERATIONS.—In making recommendations, the Secretary shall consider the economic and ecological benefits of a shore protection project and the ability of the non-Federal interest to participate in the project.

''(iii) CONSIDERATION OF LOCAL AND REGIONAL BENEFITS.—In analyzing the economic and ecological benefits of a shore protection project, or a flood control or other water resource project the purpose of which includes shore protection, the Secretary shall consider benefits to local and regional economic development, and to the local and regional ecology, in calculating the full economic and ecological justifications for the project.

''(iv) NEPA REQUIREMENTS.—Nothing in this subparagraph imposes any requirement on the Army Corps of Engineers under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

''(C) COORDINATION OF PROJECTS.—In conducting studies and making recommendations for a shore protection project under this paragraph, the Secretary shall—

''(i) determine whether there is any other project being carried out by the Secretary or the head of another Federal agency that may be complementary to the shore protection project; and

''(ii) if there is such a complementary project, describe the efforts that will be made to coordinate the projects.

''(3) SHORE PROTECTION PROJECTS.—

''(A) IN GENERAL.—The Secretary shall construct, or cause to be constructed, any shore protection project authorized by Congress, or separable element of such a project, for which funds have been appropriated by Congress.

''(B) AGREEMENTS.—

''(i) REQUIREMENT.—After authorization by Congress, and before commencement of construction, of a shore protection project or separable element, the Secretary shall enter into a written agreement with a non-Federal interest with respect to the project or separable element.

''(ii) TERMS.—The agreement shall—

''(I) specify the life of the project; and

''(II) ensure that the Federal Government and the non-Federal interest will cooperate in carrying out the project or separable element.

''(C) COORDINATION OF PROJECTS.—In constructing a shore protection project or separable element under this paragraph, the Secretary shall, to the extent practicable, coordinate the project or element with any complementary project identified under paragraph (2)(C).

''(4) REPORT TO CONGRESS.—The Secretary shall report annually to the appropriate committees of Congress on the status of all ongoing shore protection studies and shore protection projects carried out under the jurisdiction of the Secretary.''.

(b) REQUIREMENT OF AGREEMENTS PRIOR TO REIMBURSEMENTS.—

(1) SMALL SHORE PROTECTION PROJECTS.—Section 2 of the Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946 (33 U.S.C. 426f), is amended—

(A) by striking ''SEC. 2. The Secretary of the Army'' and inserting the following:

''SEC. 2. REIMBURSEMENTS.

''(a) IN GENERAL.—The Secretary'';

(B) in subsection (a) (as so designated)—

(i) by striking ''local interests'' and inserting ''non-Federal interests'';

(ii) by inserting ''or separable element of the project'' after ''project''; and

(iii) by inserting ''or separable elements'' after ''projects'' each place it appears; and

(C) by adding at the end the following:

''(b) AGREEMENTS.—

''(1) REQUIREMENT.—After authorization of reimbursement by the Secretary under this section, and before commencement of construction, of a shore protection project, the Secretary shall enter into a written agreement with the non-Federal interest with respect to the project or separable element.

''(2) TERMS.—The agreement shall—

''(A) specify the life of the project; and

''(B) ensure that the Federal Government and the non-Federal interest will cooperate in carrying out the project or separable element.''.

(2) OTHER SHORELINE PROTECTION PROJECTS.—Section 206(e)(1)(A) of the Water Resources Development Act of 1992 (33 U.S.C. 426i–1(e)(1)(A)) is amended by inserting before the semicolon the following: ''and enters into a written agreement with the non-Federal interest with respect to the project or separable element (including the terms of cooperation)''.

(c) STATE AND REGIONAL PLANS.—The Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946, is amended—

(1) by redesignating section 4 (33 U.S.C. 426h) as section 5; and

(2) by inserting after section 3 (33 U.S.C. 426g) the following:

''SEC. 4. STATE AND REGIONAL PLANS.

''The Secretary may—

''(1) cooperate with any State in the preparation of a comprehensive State or regional plan for the conservation of coastal resources located within the boundaries of the State;

''(2) encourage State participation in the implementation of the plan; and

''(3) submit to Congress reports and recommendations with respect to appropriate Federal participation in carrying out the plan.''.

(d) DEFINITIONS.—

(1) IN GENERAL.—Section 5 of the Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946 (as redesignated by subsection (c)(1)), is amended—

(A) by striking ''SEC. 5. As used in this Act, the word 'shores' includes all the shorelines'' and inserting the following:

''SEC. 5. DEFINITIONS.

''In this Act:

''(1) SECRETARY.—The term 'Secretary' means the Secretary of the Army, acting through the Chief of Engineers.

''(2) SEPARABLE ELEMENT.—The term 'separable element' has the meaning provided by section 103(f) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(f)).

''(3) SHORE.—The term 'shore' includes each shoreline of each''; and

(B) by adding at the end the following:

''(4) SHORE PROTECTION PROJECT.—The term 'shore protection project' includes a project for beach nourishment, including the replacement of sand.''.

(2) CONFORMING AMENDMENTS.—The Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946, is amended—

(A) in subsection (b)(3) of the first section (33 U.S.C. 426e(b)(3)), by striking ''Secretary of the Army, acting through the Chief of Engineers,'' and inserting ''Secretary,''; and

(B) in section 3 (33 U.S.C. 426g), by striking ''Secretary of the Army'' and inserting ''Secretary''.

(e) OBJECTIVES OF PROJECTS.—Section 209 of the Flood Control Act of 1970 (42 U.S.C. 1962–2) is amended by inserting ''(including shore protection projects such as projects for beach nourishment, including the replacement of sand)'' after ''water resource projects''.

Mr. BRADLEY. Mr. President, I rise today to join Senator MACK in introducing a measure designed to provide for a continuing Federal role in protecting a valuable national resource—our Nation's coastline. The Shore Protection Act of 1996 states clearly that the Federal Government has an obligation to provide necessary support—both financial and technical—for projects that promote the protection, restoration and enhancement of sandy beaches and shorelines in cooperation with States and localities.

Beach, shore and coastal resources are critical to our economy and quality of life, but they are fragile and must be protected, conserved and restored. As a coastal State Senator, who walks the beaches of the Jersey shore every year, I know first-hand the economic and recreational benefits that are derived from healthy beaches. Every summer, thousands of New Jerseyans and visitors from all over the U.S. and the world, visit the beaches of the Jersey shore, generating roughly $11 billion in travel and tourism revenues.

However, beaches are important not only to New Jersey's economy or to those of other coastal communities, they are important to the Nation's economy. Beaches support 28 million jobs, and coastal communities generate $1.3 trillion, or one-third, of the Gross National Product. Travel and tourism is the second largest sector of our economy, contributing over $746 billion in 1995 and amounting to a $26 billion trade surplus. Beaches are responsible for this economic boom. As the leading tourist destination in the U.S., coastlines generate 85 percent of tourism-related revenue. If we allow this valuable resource to simply wash away, billions of dollars in beach related revenues will disappear as well.

The value of our coastline lies not only in the jobs and revenue that they generate, but also in the families, homes and business they protect from hurricanes, nor'easters and tropical storms. With almost 50% of all Americans living in our coastal communities, we simply must have healthy beaches as our first line of defense. Nourished beaches can also provide ecological and environmental benefits for certain species of wildlife by providing, or restoring, marine and littoral habitat.

In 1995, the Administration proposed an end to the Federal role in shore protection projects. Citing budgetary concerns, the Administration proposal called for Federal involvement in projects that were of ''national significance'' only. This bill makes the case that the preservation of an invaluable economic and environmental resource—our shoreline—is of national significance. Our bill would permit all the local, regional and national economic and ecological benefits of a shoreline protection project to be considered when judging a project's merit. I am confident this comprehensive evaluation will demonstrate that shore protection projects are indeed of national significance.

Mr. President, let me take a moment to outline the major provisions of the bill. Specifically, the bill would mandate a continuing Federal role in shore protection projects. The bill changes the mission of the Corps from one of general authority to do beach projects to a specific mandate to undertake the protection, restoration and enhancement of beaches in cooperation with states and local communities.

Additionally, the bill would require that new criteria be used in conducting the cost/benefit analysis of a proposed project. Currently, when undertaking cost/benefit analysis to determine the suitability of proposed projects, the Corps is only required to consider the property values of property directly adjacent to the beach. The Corps can take into account revenues generated through recreation, but is not required to do so, nor can the recreational values be weighed as anything other than an ''incidental'' benefit. This bill requires that the benefits to the local, regional and national economy and the local, regional and national ecology be considered. This comprehensive evaluation will demonstrate that shore protection projects are of national significance.

The bill also requires that the Corps report annually to Congress on beach project priorities. The Corps will be required to submit information (reports) to Congress on projects that, when evaluated with the bill's new cost/benefit criteria, are found to merit Federal involvement. In current law, this authority is discretionary and has been suspended by the Administration.

The bill also encourages the Corps to work with state and local authorities to develop regional plans for preservation, restoration and enhancement of shorelines and coastal resources. Further the Corps is encouraged to work with other agencies to coordinate with other projects that may have a complimentary effect on shoreline protection projects.

A network of healthy and nourished beaches is essential to our economy, competitiveness in world tourism and the safety of our coastal communities.

Protection of the Nation's shoreline must be a continued Federal priority.

By Mr. GRAHAM:

S. 1812. A bill to provide for the liquidation or replication of certain frozen concentrated orange juice entries to correct an error that was made in connection with the original liquidation; to the Committee on Finance.

LEGISLATION TO CORRECT INEQUITY SUFFERED BY JUICE FARMS, INC.

● Mr. GRAHAM. Mr. President, I am introducing legislation today that will order Customs to take the necessary steps to correct an inequity suffered by a Florida company, Juice Farms, Inc., resulting from a Customs administrative error arising from a dumping case.

From 1987 to 1990, several anti-dumping orders were issued covering Brazilian frozen concentrated orange juice. Juice Farms imported juice from Brazil and deposited duties with Customs. As required by law, liquidation of the import entries by Customs was suspended by Commerce pending the outcome of administrative dumping reviews to be conducted by Commerce.

In 1991, after three successive reviews, the Department of Commerce found no sales at less than fair value. Commerce instructed Customs to return Juice Farms' anti-dumping duty deposits plus interest. Juice Farms learned, however, that Customs had mistakenly liquidated a number of entries. Such liquidations were in clear violation of the suspension order.

Juice Farms pursued court challenges but received an unfavorable decision because the court found that the company filed its protest of the premature liquidations too late. Accordingly, even though the duties were required by law to be returned to Juice Farms, to date the deposits have not been received. The legislation I propose today simply will correct that error and require Customs to refund the funds properly owed Juice Farms.●

By Mr. HELMS (for himself and Mr. GRASSLEY):

S. 1813 A bill to reform the coastwise, intercoastal, and noncontiguous trade shipping laws, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE COASTAL SHIPPING COMPETITION ACT OF 1996

Mr. HELMS. Mr. President, since 1920 there has been a Federal statute in force in America that, however well intentioned, has nonetheless prevented a vast segment of the farming community in North Carolina and other States from obtaining reasonably much-needed and priced grain from the Midwest.

In doing so, of course, it has long prevented Midwestern grain producers from delivering grain to grain deficit States which repeatedly experience difficulty in sustaining their livestock. North Carolina is one of the those States.

That is why I am today introducing S. 1813, the Coastal Shipping Competition Act, which will eliminate a harmful anachronism that enables a few waterborne carriers to cling to a monopoly on shipping. The victims of this system, in North Carolina and elsewhere, assert accurately that those shippers have no certified Jones Act ships to meet the demands of producers who need the gain.

In fact, Mr. President, poultry and pork farmers in North Carolina say they can't get enough grain for their farms to feed their animals. North Carolina cannot now, nor ever be able, to produce enough grain to satisfy the urgent needs of the poultry and pork producers in North Carolina. As a result, they must rely upon grain shipped in from the Midwest. The railroads can't guarantee enough railcars to move this grain from the Midwest, and the costs of such shipments as can be arranged are enormous.

The increase in transportation costs, coupled with the price of grain, inevitably leads to excessively high overhead costs for North Carolina farmers. To put it succinctly, the shortage of grains and shortage of trains means sharply elevated costs and prices that threaten the livelihoods of many farmers.

Mr. President, I ask unanimous consent that letters from two highly respected North Carolina farmers, both of whom urge introduction and passage of this legislation, be printed in the RECORD at the conclusion of my remarks.

Mr. President, according to the most recent North Carolina Department of Agriculture statistics, North Carolina was, in 1995, No. 1 in the Nation in turkey production with 61.2 million birds; in hog production, North Carolina was No. 2, with 8.3 million heads—Iowa was No. 1—and in commercial broilers North Carolina was No. 4 with 644 million birds—Arkansas, Georgia, and Alabama ranked first, second, and third.

Mr. President, this past Saturday an article in the May 18 edition of the Raleigh News and Observer, reported that 800 poultry jobs in Chatham County, N.C., were threatened by, among other things, high-feed grain prices. I ask unanimous consent that this article ''800 Perdue Jobs in Danger'' be printed in the RECORD at the conclusion of my remarks.

Mr. President, additionally, in times of severe weather—such as this past winter—railroads often are unable to get through mountain passes because of snow or flooding.

Mr. President, the Jones Act unfairly and unreasonably restricts shipping between ports in the United States because it requires that merchandise and produce shipped by water between U.S. points be shipped only on U.S.-built, U.S.-flagged, U.S.-manned, and U.S.-citizen owned vessels specifically documented and authorized by the Coast Guard for such shipments.

But, Mr. President, the problem with that is that not nearly enough certified vessels exist to transport grain to farmers in North Carolina and other States. As a matter of fact, my farmers are now being forced to go to foreign sources for feed grain.

Last year, according to a report in the September 12, 1995, Journal of Commerce, Murphy family farms brought in a cargo shipment of 1 million bushels of Canadian wheat to the port of Wilmington, NC, aboard Canada steamship lines.

Mr. President, the Jones Act is simply not fair. It's not fair to farmers in the Midwest and it is unfair to countless producers in my own State and in other States.

Those who may protest this legislation are likely to claim that it will somehow destroy American shipping. That simply is not so. Moreover, if the status quo is maintained, my farmers will have no choice but to purchase their foreign grain from Canada, Argentina, and other countries—and all of it will be shipped on foreign flagged vessels.

According to a December 1995 report by the U.S. International Trade Commission,

> The economy wide effect of removing the Jones Act is a U.S. economic welfare gain of approximately $2.8 billion. This figure can also be interpreted as the annual reduction in real national income imposed by the Jones Act. A primary reason for the large gain in welfare is a decline of approximately 26 percent in the price of shipping services formerly restricted by the Jones Act.

Mr. President, isn't it ironic that the United States—the breadbasket of the world—has such an unwise and unfair lid on that bread basket? That lid, Mr. President, is the Jones Act.

That is my reason for offering this legislative remedy, Mr. President. If Senators truly believe in the free enterprise system, they will support this proposal to allow American grain to be shipped unhindered to grain deficit States that are in need of it.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

S. 1813

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Coastal Shipping Competition Act of 1996''.

SEC. 2. MISCELLANEOUS AMENDMENTS TO DEFINITIONS IN TITLE 46, UNITED STATES CODE.

Section 2101 of title 46, United States Code, is amended—

(1) in each of paragraphs (1) through (45), by striking the period at the end and inserting a semicolon;

(2) in paragraph (46), by striking the period at the end and inserting ''; and'';

(3) by striking paragraph (3a) and inserting the following:

''(3a) 'citizen of the United States' means—

''(A)(i) a national of the United States, as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22));

''(ii) a corporation established under the laws of the United States or under the laws

of a State, territory, district, or possession of the United States, that has—

''(I) a president or other chief executive officer and chairman of the board of directors of that corporation who are citizens of the United States; and

''(II) a board of directors, on which a majority of the number of directors necessary to constitute a quorum are citizens of the United States;

''(iii) a partnership existing under the laws of a State, territory, district, or possession of the United States that has at least 1 general partner who is a citizen of the United States;

''(iv) a trust that has at least 1 trustee who is a citizen of the United States; or

''(v) an association, joint venture, limited liability company or partnership, or other entity that has at least 1 member who is a citizen of the United States; but

''(B) such term does not include—

''(i) with respect to a person or entity under clause (ii), (iii), or (v) of subparagraph (A), any parent corporation, partnership, or other person (other than an individual) or entity that is a second-tier owner (as that term is defined by the Secretary) of the person or entity involved; or

''(ii) with respect to a trust under clause (iv), any beneficiary of the trust.'';

(4) by inserting after paragraph (4) the following new paragraph:

''(4a) 'coastwise trade'—

''(A) subject to subparagraph (B), means the transportation by water of merchandise or passengers, the towing of a vessel by a towing vessel, or dredging operations embraced within the coastwise laws of the United States—

''(i) between points in the United States (including any district, territory, or possession of the United States);

''(ii) on the Great Lakes (including any tributary or connecting waters of the Great Lakes and the Saint Lawrence Seaway);

''(iii) on the subjacent waters of the Outer Continental Shelf subject to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.); and

''(iv) in the noncontiguous trade; and

''(B) does not include the activities specified in subparagraph (A) on the navigable waters included in the inland waterways trade except for activities specified in subparagraph (A) that occur on mixed waters.'';

(5) by inserting after paragraph (11c) the following new paragraph:

''(11d) 'foreign qualified vessel' means a vessel—

''(A) registered in a foreign country; and

''(B) the owner, operator, or charterer of which is a citizen of the United States or—

''(i) has qualified to engage in business in a State and has an agent in that State upon whom service of process may be made;

''(ii) is subject to the laws of the United States in the same manner as any foreign person doing business in the United States; and

''(iii) either—

''(I) employs vessels in the coastwise trade regularly or from time to time as part of a regularly scheduled freight service in the foreign ocean (including the Great Lakes) trades of the United States; or

''(II) offers passage or cruises on passenger vessels the owner, operator, or charterer employs in the coastwise trade or in the coastwise trade as part of those cruises offered in the foreign ocean (including the Great Lakes) trades of the United States.'';

(6) by redesignating paragraph (14a) as paragraph (14b);

(7) by inserting after paragraph (14) the following new paragraph:

''(14a) 'inland waterways trade'—

''(A) means—

''(i) the transportation of merchandise or passengers on the navigable rivers, canals, lakes other than the Great Lakes, or other waterways inside the Boundary Line;

''(ii) the towing of barges by towing vessels in the waters specified in clause (i); or

''(iii) engaging in dredging operations in the waters specified in clause (i); and

''(B) includes any activity specified in subparagraph (A) that is conducted in mixed waters.'';

(8) by redesignating paragraph (15a) as paragraph (15b);

(9) by inserting after paragraph (15) the following:

''(15a) 'mixed waters' means—

''(A) the harbors and ports on the coasts and Great Lakes of the United States; and

''(B) the rivers, canals, and other waterways tributary to the Great Lakes or to the coastal harbors and coasts of the United States inside the Boundary Line,

that the Secretary of Transportation determines to be navigable by oceangoing vessels.'';

(10) by redesignating paragraph (17a) as paragraph (17b);

(11) by inserting after paragraph (17) the following:

''(17a) 'noncontiguous trade' means transportation by water of merchandise or passengers, or towing by towing vessels—

''(A) between—

''(i) a point in the 48 continental States and the District of Columbia; and

''(ii) a point in Hawaii, Alaska, Puerto Rico, Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, or any other noncontiguous territory or possession of the United States, as embraced within the coastwise laws of the United States; or

''(B) between 2 points described in subparagraph (A)(ii).'';

(12) in paragraph (21)(A)—

(A) in clause (ii), by striking ''or'' after the semicolon;

(B) in clause (iii), by inserting ''or'' after the semicolon; and

(C) by adding at the end the following new clause:

''(iv) an individual who—

''(I) is a member of the family or a guest of the owner or charterer; and

''(II) is not a passenger for hire;'';

(13) by striking paragraph (40) and inserting the following:

''(40) 'towing vessel' means any commercial vessel engaged in, or that a person intends to use to engage in, the service of—

''(A) towing, pulling, pushing, or hauling alongside (or any combination thereof); or

''(B) assisting in towing, pulling, pushing, or hauling alongside;''; and

(14) by inserting after paragraph (40) the following new paragraphs:

''(40a) 'towing of a vessel by a towing vessel between points' means attaching a towing vessel to a towed vessel (including any barge) at 1 point and releasing the towed vessel from the towing vessel at another point, regardless of the origin or ultimate destination of either the towed vessel or the towing vessel; and

''(40b) 'transportation of merchandise or passengers by water between points' means, without regard to the origin or ultimate destination of the merchandise or passengers involved—

''(A) in the case of merchandise, loading merchandise at 1 point and permanently unloading the merchandise at another point; or

''(B) in the case of passengers, embarking passengers at 1 point and permanently disembarking the passengers at another point.''.

SEC. 3. DOCUMENTATION.

(a) DEFINITIONS.—Section 12101(b)(2) of title 46, United States Code, is amended—

(1) by striking paragraph (2) and inserting the following:

''(2) 'license', 'enrollment and license', 'license for the coastwise (or coasting) trade', 'enrollment and license for the coastwise (or coasting) trade', and 'enrollment and license to engage in the foreign and coastwise (or coasting) trade on the northern, northeastern, and northwestern frontiers, otherwise than by sea' mean a coastwise endorsement provided in section 12106.'';

(2) by striking paragraph (3); and

(3) by redesignating paragraph (4) as paragraph (3).

(b) VESSELS ELIGIBLE FOR DOCUMENTATION.—Section 12102(a) of title 46, United States Code, is amended—

(1) by striking all that precedes paragraph (5) and inserting the following:

''(a) A vessel of at least 5 net tons that is not registered under the laws of a foreign country or that is not titled in a State is eligible for documentation if—

''(1)(A) the vessel is owned by an individual who is a citizen of the United States, or a corporation, association, trust, joint venture, partnership, limited liability company, or other entity that is a citizen of the United States; and

''(B) the owner of the vessel is capable of holding title to a vessel under the laws of the United States or under the laws of a State;''; and

(2) by redesignating paragraphs (5) and (6) as paragraphs (2) and (3), respectively.

(c) COASTWISE ENDORSEMENTS.—Section 12106 of title 46, United States Code, is amended to read as follows:

''§ 12106. Coastwise endorsements and certificates

''(a) IN GENERAL.—A certificate of documentation may be endorsed with a coastwise endorsement for a vessel that is eligible for documentation.

''(b) ELIGIBILITY.—

''(1) IN GENERAL.—Any of the following vessels may be issued a certificate to engage in the coastwise trade if the Secretary of Transportation makes a finding, pursuant to information obtained and furnished by the Secretary of State, that the government of the nation of registry of such vessel extends reciprocal privileges to vessels of the United States to engage in the transportation of merchandise or passengers (or both) in its coastwise trade:

''(A) A foreign qualified vessel (as defined in section 2101(11d)).

''(B) A vessel of foreign registry—

''(i) if the vessel is subject to a demise or bareboat charter, for the duration of that charter, to a person or entity that would be eligible to document that vessel if that person or entity were the owner of the vessel; or

''(ii) that engages irregularly in the coastwise trade of the United States.

''(2) VESSEL ENGAGING IRREGULARLY IN THE COASTWISE TRADE.—For purposes of this subsection, a vessel engages irregularly in the coastwise trade of the United States if that vessel—

''(A) during any 60-day period does not make, in the aggregate, more than 4 calls to United States ports; and

''(B) during any calendar year does not make, in the aggregate, more than 6 calls to United States ports.

''(c) EMPLOYMENT IN THE COASTWISE TRADE.—Subject to the applicable laws of the United States regulating the coastwise trade and trade with Canada, only a vessel with a certificate of documentation endorsed with a coastwise endorsement or with a certificate issued under subsection (b) may be employed in the coastwise trade.''.

(d) INLAND WATERWAYS ENDORSEMENTS.—Section 12107 of title 46, United States Code, is amended to read as follows:

"§ 12107. Inland waterways endorsements

''A certificate of documentation may be endorsed with an inland waterways endorsement for a vessel that—

''(1) is eligible for documentation; and

''(2)(A) was built in the United States; or

''(B) was not built in the United States; but was—

''(i) captured in war by citizens of the United States and lawfully condemned as prize;

''(ii) adjudged to be forfeited for a breach of the laws of the United States; or

''(iii) is qualified for documentation under section 4136 of the Revised Statutes (46 App. U.S.C. 14).''.

(e) LIMITATIONS ON OPERATIONS AUTHORIZED BY CERTIFICATES.—Section 12110(b) of title 46, United States Code, is amended—

(1) by striking ''coastwise trade'' and inserting ''coastwise trade or inland waterways trade''; and

(2) by striking ''that trade'' and inserting ''those trades''.

SEC. 4. TRANSPORTATION OF MERCHANDISE IN THE COASTWISE AND INLAND WATERWAYS TRADES.

(a) IN GENERAL.—Section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883) is amended to read as follows:

"SEC. 27. PROHIBITION.

''No merchandise, including merchandise owned by the United States Government, a State (as defined in section 2101 of title 46, United States Code), or a political subdivision of a State, and including material without value, shall be transported by water, on penalty of forfeiture of the merchandise (or a monetary amount not to exceed the value of the merchandise, as determined by the Secretary of the Treasury, or the actual cost of the transportation, whichever is greater, to be recovered from any cosigner, seller, owner, importer, consignee, agent, or other person that transports or causes the merchandise to be transported by water)—

''(1) in the coastwise trade, in any vessel other than—

''(A) a vessel documented with a coastwise endorsement under section 12106(a) of title 46, United States Code; or

''(B) a vessel that has been issued coastwise certification under section 12106(b) of title 46, United States Code, that is in effect for engaging in the transportation of merchandise; or

''(2) in the inland waterways trade in any vessel other than a vessel documented with an inland waterways endorsement under section 12107 of title 46, United States Code.''.

(b) REPEAL.—Section 27A of the Merchant Marine Act, 1920 (46 App. U.S.C. 883–1) is repealed.

SEC. 5. TRANSPORTATION OF PASSENGERS.

(a) IN GENERAL.—Section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289) is amended to read as follows:

"SEC. 8. PROHIBITION.

''No passengers shall be transported by water, on penalty of $200 for each passenger so transported or the actual cost of the transportation, whichever is greater, to be recovered from the vessel so transporting the passenger—

''(1) in the coastwise trade, in any vessel other than—

''(A) a vessel documented with a coastwise endorsement under section 12106 of title 46, United States Code; or

''(B) a vessel that has been issued a coastwise certification under section 12106(b) of title 46, United States Code, that is in effect for engaging in the transportation of merchandise; and

''(2) in the inland waterways trade, in any vessel other than a vessel documented with an inland waterways endorsement under section 12107 of title 46, United States Code.''.

(b) REPEALS.—The following provisions are repealed:

(1) The Act of April 26, 1938 (52 Stat. 223, chapter 174; 46 U.S.C. App. 289a).

(2) Section 12(22) of the Maritime Act of 1981 (46 U.S.C. App. 289b).

(3) Public Law 98–563 (46 U.S.C. App. 289c).

SEC. 6. TOWING AND SALVAGING OPERATIONS.

Section 4370(a) of the Revised Statutes (46 U.S.C. App. 316(a)) is amended to read as follows:

''(a)(1) No vessel (including any barge), other than a vessel in distress, may be towed—

''(A) in the coastwise trade by any vessel other than—

''(i) a vessel documented with a coastwise endorsement under section 12106(a) of title 46, United States Code; or

''(ii) a vessel registered in a foreign country, if the Secretary of the Treasury finds, pursuant to information furnished by the Secretary of State, that the government of that foreign country and the government of the country of which each ultimate owner of the towing vessel is a citizen extend reciprocal privileges to vessels of the United States to tow vessels (including barges) in the coastal waters of that country; or

''(B) in the inland waterways trade by any vessel other than a vessel documented with an inland waterways endorsement under section 12107 of title 46, United States Code.

''(2)(A) The owner and master of any vessel that tows another vessel (including a barge) in violation of this section shall each be liable to the United States Government for a civil penalty in an amount not less than $250 and not greater than $1,000. The penalty shall be enforceable through the district court of the United States for any district in which the offending vessel is found.

''(B) A penalty specified in subparagraph (A) shall constitute a lien upon the offending vessel, and that vessel shall not be granted clearance until that penalty is paid.

''(C) In addition to the penalty specified in subparagraph (A), the offending vessel shall be liable to the United States Government for a civil penalty in an amount equal to $50 per ton of the measurement of the vessel towed in violation of this section, which shall be recoverable in a libel or other enforcement action conducted through the district court for the United States for the district in which the offending vessel is found.''.

SEC. 7. DREDGING OPERATIONS.

The first section of the Act of May 28, 1906 (34 Stat. 204, chapter 2566; 46 U.S.C. App. 292), is amended to read as follows:

"SECTION 1. VESSELS THAT MAY ENGAGE IN DREDGING.

''(a) IN GENERAL.—A vessel may engage in dredging operations—

''(1) on the navigable waters included in the coastwise trade, if—

''(A) the vessel is documented with a coastwise endorsement under section 12106(a) of title 46, United States Code; or

''(B) the vessel is registered in a foreign country and the Secretary of the Treasury finds, pursuant to information furnished by the Secretary of State, that the government of that foreign country and each government of the country of which an ultimate owner of the vessel is a citizen extend reciprocal privileges to vessels of the United States to engage in dredging operations in the coastal waters of that country; or

''(2) on the navigable waters included in the inland waterways trade, if—

''(A) the vessel is documented with an inland waterways endorsement under section 12107 of title 46, United States Code; or

''(B) the vessel would be qualified to be documented under the laws of the United States with a coastwise endorsement under section 12106(a) of title 46, United States Code, except that the vessel was not built in the United States.

''(b) PENALTIES.—When a vessel is operated in knowing violation of this section, that vessel and its equipment are liable to seizure by and forfeiture to the United States Government.''.

SEC. 8. CITIZENSHIP AND TRANSFER PROVISIONS.

(a) CITIZENSHIP OF CORPORATIONS, PARTNERSHIPS, AND ASSOCIATIONS.—Section 2 of the Shipping Act, 1916 (46 U.S.C. App. 802) is amended—

(1) in subsection (a)—

(A) by inserting a period after ''possession thereof''; and

(B) by striking all that follows the period inserted in subparagraph (A) through the end of the subsection; and

(2) by striking subsection (c).

(b) APPROVAL OF TRANSFER OF REGISTRY OR OPERATION UNDER AUTHORITY OF A FOREIGN COUNTRY OR FOR SCRAPPING IN A FOREIGN COUNTRY; PENALTIES.—Section 9 of the Shipping Act, 1916 (46 U.S.C. App. 808) is amended—

(1) by striking subsection (c) and inserting the following:

''(c) Except as provided in section 611 of the Merchant Marine Act, 1936 (46 U.S.C. App. 1181) and section 31322(a)(1)(D) of title 46, United States Code, a person may not, without the approval of the Secretary of Transportation—

''(1) place under foreign registry—

''(A) a documented vessel; or

''(B) a vessel with respect to which the last documentation was made under the laws of the United States;

''(2) operate a vessel referred to in paragraph (1) under the authority of a foreign government; or

''(3) scrap or transfer for scrapping a vessel referred to in paragraph (1) in a foreign country.''; and

(2) by striking subsection (d) and inserting the following:

''(d)(1) A person that places a documented vessel under foreign registry, operates that vessel under the authority of a foreign country, or scraps or transfers for scrapping that vessel in a foreign country—

''(A) in violation of this section and knowing that that placement, operation, scrapping, or transfer for scrapping is a violation of this section shall, upon conviction, be fined under title 18, United States Code, imprisoned for not more than 5 years, or both; or

''(B) otherwise in violation of this section shall be liable to the United States Government for a civil penalty of not more than $10,000 for each violation.

''(2) A documented vessel may be seized by, and forfeited to, the United States Government if that vessel is placed under foreign registry, operated under the authority of a foreign country, or scrapped or transferred for scrapping in a foreign country in violation of this section.''.

SEC. 9. LABOR PROVISIONS.

(a) LIABILITY FOR INJURY OR DEATH OF MASTER OR CREW MEMBER.—Section 20(a) of the Act of March 4, 1915 (38 Stat. 1185, chapter 153; 46 U.S.C. App. 688(a)) is amended—

(1) by inserting ''(1)'' after ''(a)'';

(2) by adding at the end of paragraph (1) (as designated under paragraph (1) of this subsection) the following new sentence: ''In an action brought under this subsection against

a defendant employer that does not reside or maintain an office in the United States (including any territory or possession of the United States) and that engages in any enterprise that makes use of 1 or more ports in the United States (as defined in section 2101 of title 46, United States Code), jurisdiction shall be under the district court most proximate to the place of the occurrence of the personal injury or death that is the subject of the action.''; and

(3) by adding at the end the following new paragraph:

''(2)(A) The employer of a master or member of the crew of a vessel—

''(i) may, at the election of the employer, participate in an authorized compensation plan under the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.); and

''(ii) if the employer makes an election under clause (i), notwithstanding section 2(3)(G) of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 902(3)(G)), shall be subject to that Act.

''(B) If an employer makes an election, in accordance with subparagraph (A), to participate in an authorized compensation plan under the Longshore and Harbor Workers' Compensation Act—

''(i) a master or crew member employed by that employer shall be considered to be an employee for the purposes of that Act; and

''(ii) the liability of that employer under that Act to the master or crew member, or to any person otherwise entitled to recover damages from the employer based on the injury, disability, or death of the master or crew member, shall be exclusive and in lieu of all other liability.''.

(b) MINIMUM REQUIREMENTS.—All vessels, whether documented in the United States or not, operating in the coastwise trade of the United States shall be subject to minimum international labor standards for seafarers under international agreements in force for the United States, as determined by the Secretary of Transportation on the advice of the Secretaries of Labor and Defense.

SEC. 10. REGULATIONS REGARDING VESSELS.

(a) APPLICABLE MINIMUM REQUIREMENTS.—Except as provided in paragraph (2), the minimum requirements for vessels engaging in the transportation of cargo or merchandise in the United States coastwise trade shall be the recognized international standards in force for the United States (as determined by the Secretary of the department in which the Coast Guard is operating, in consultation with any other official of the Federal Government that the Secretary determines to be appropriate).

(b) CONSISTENCY IN APPLICATION OF STANDARDS.—In any case in which any minimum requirement for vessels referred to in paragraph (1) is inconsistent with a minimum that is applicable to vessels that are documented in a foreign country and that are admitted to engage in the transportation of cargo and merchandise in the United States coastwise trade, the standard applicable to United States documented vessels shall be deemed to be the standard applicable to vessels that are documented in a foreign country.

(c) MINIMUM REQUIREMENTS FOR VESSELS.—As used in this subsection, the term ''minimum requirements for vessels'' means, with respect to vessels (including United States documented vessels and foreign documented vessels), all safety, manning, inspection, construction, and equipment requirements applicable to those vessels in United States coastwise passenger trade, to the extent that those requirements are consistent with applicable international law and treaties to which the United States is a signatory.

SEC. 11. ENVIRONMENT.

All vessels, whether documented under the laws of the United States or not, regularly engaging in the United States coastwise trade shall comply with all applicable United States and international environmental standards in force for the United States.

SEC. 12. GENERAL REQUIREMENTS.

Each person or entity that is not a citizen of the United States, as defined in section 2101(3a) of title 46, United States Code, that owns or operates vessels that regularly engage in the United States domestic coastwise trade shall—

(1) establish an office or place, and qualify under the laws of that place, to do business in the United States;

(2) name an agent upon whom process may be served;

(3) abide by all applicable laws of the United States; and

(4) post evidence of—

(A) financial responsibility in amounts as considered necessary by the Secretary of Transportation for the business activities of that person or entity; and

(B) compliance with applicable United States laws.

MURPHY FAMILY FARMS,
Rose Hill, NC, May 21, 1996.

Hon. JESSE HELMS,
U.S. Senate, Washington, DC.

DEAR SENATOR HELMS: I am writing to urge you to introduce and sponsor the Coastal Shipping Competition Act—Legislation that I believe would bring much needed, yet fair reform to our nation's antiquated maritime transportation laws.

North Carolina consumes in its animal and poultry production businesses far more grain and oilseed meals than our North Carolina farmers are able to produce. Thus far, we have relied upon rail transportation originating in the ''Eastern Grain Belt'' states to augment local supplies. As our demand increases, we will likely continue to use rail transportation as our primary source of grains and oilseed meals from production areas outside North Carolina. However, we are beginning to experience the symptoms of over taxing the capacity of the rail corridors that serve us. Additionally, realization of the risks inherent in relying too heavily on a single source of dry bulk transport to feed live animals and poultry is becoming far too real when we have had major service interruptions on at least three occasions since early December 1995.

We believe that the only other viable transportation source to supply our needs is via water. Yet, after some five years of diligent effort, the only reasonably competitive cargo that we have been able to procure via water has been foreign cargoes delivered to the port of Wilmington on foreign vessels. This seems illogical to us because we know that the United States is the most efficient and largest producer of grains and oilseed meals in the world and that our country serves as the world's repository of supply of these invaluable resources.

Why can't we access these domestic supplies via water? We believe that a major impediment lies within the constraints imposed upon us and others by the Merchant Marine Act of 1920, more commonly known as the Jones Act. Legislation to reform the Jones Act is desperately needed to help rebuild a viable, competitive United States domestic shipping industry and to enhance the competitive position of ours and other American agricultural producers and businesses. I believe that without this legislation we will experience the not so gradual erosion of the economic viability of our existing capital asset base and likewise the economic demise of many of our good citizens and business persons who depend upon the animal and poultry production industry of North Carolina for their livelihoods.

As a member of the business community and a farmer from your district, I assure you that this is an issue of utmost importance and one that merits your attention and support.

Thank you for your time and effort and please let me know if I may be of assistance.

Sincerely,

WENDELL H. MURPHY,
Chairman and CEO.

GOLDSBORO MILLING COMPANY,
Goldsboro, NC, May 21, 1996.

DEAR SENATOR HELMS: Let me start by thanking you for all you have done in the past in support of agri-business in this country. Your support has meant a great deal to all of us.

I'm also writing you today to ask you to introduce and support the Coastal Shipping Competition Act—legislation that would bring much needed reform to our nation's antiquated maritime transportation laws.

These laws negatively affect thousands of businesses across America every day because the laws have eliminated competitive deep-water domestic waterbourne transportation for essential manufacturing inputs and finished products.

The Merchant Marine Act of 1920 (known as the Jones Act) has had an ironically anti-American impact. While it may have been originally written to protect the U.S. shipping industry, the resulting noncompetitive domestic industry is sparsely available, if at all in many U.S. locations. Not a single coastal freighter over 1,000 tons is operating on the entire 2,000 mile East Coast of the United States.

Those of us in the poultry and hog business on the East Coast really need an alternative transportation option for our inputs (such as grain) because the infrastructure of the railroads is getting critically overloaded. However, being restricted to using a U.S. owned, operated and manned ship effectively eliminates the possibility of getting inputs delivered by water to east coast ports.

Legislation to reform the Jones Act is desperately needed to help build the competitive position of American businesses and agricultural producers.

As a member of the business community in North Carolina, I can assure you this is an issue that merits your attention and support. Thanks for all that you have already done and for your consideration on this matter.

Sincerely,

J.L MAXWELL, Jr.
Chairman.

[From the News & Observer, May 18, 1996]

800 PERDUE JOBS IN DANGER

(By Jay Price)

SILER CITY.—Perdue Farms announced Friday that it will padlock its Chatham County chicken processing plant unless the plant can be sold within 60 days, placing the future of 800 workers in doubt and sending shock waves through the local economy.

The company, which has headquarters in Salisbury, Md., blamed the move on high feed costs and a glutted chicken market. ''Hopefully, we'll find a buyer, and if we don't we'll make the workers aware of job opportunities at other Perdue facilities,'' said company spokesman Richard Auletta in New York.

The news from one of Chatham County's largest employers cast a pall over the annual Siler City Chicken Festival, which begins today.

''I've worked here a long time,'' said Frank Torres, a Perdue employee since 1985. ''I don't know what happened. I can't do nothing new. Now all everybody's got is one piece of paper and a check. I don't know what will happen.''

Torres said that Friday morning, employees were given a letter in Spanish and English outlining the company's plans.

Perdue said employment at a 28-worker feed mill in Staley also will be scaled back, and the operation may later be closed.

Also affected are 118 growers who raise chickens for Perdue under contract, mostly in Chatham and Randolph counties. Only 30 of those will continue to raise birds for the company, which will process them at other plants.

The company said it will try to arrange for the remaining growers to work with other poultry companies in the area.

Perdue said the plant workers, most of whom earn $7 to $7.10 an hour, can apply for jobs at other plants, but the closest ones are in Robbins and Concord, a considerable distance away by car.

About noon Friday, workers dressed in jeans, work boots and hard hats trickled solemnly out of the yellow brick plant and into a gravel parking lot. Many, like Torres, are migrant workers from Mexico who made their way to Chatham County in search of stability.

Domingo Gonzales, 28 years old and the father of two, has been at the plant for only three months.

''I don't know what I'll do,'' he said, noting that he has been working at odd jobs in the United States for nearly nine years and was hoping to finally settle down. ''Maybe I'll go back to Mexico.''

The fate of many workers like Torres and Gonzales may depend on complex business forces over which they have no control.

Besides record-high feed prices Perdue cited a recent jump in fuel costs and an abundance of poultry, beef and pork as major reasons for the decision.

Producers are paying an estimated 40 percent more for feed than they did a year ago, and are getting lower prices for their products, said Dr. Tom Carter, a poultry specialist with the N.C. Cooperative Extensive Service.

''It's an unusual situation with the grain prices so high,'' Carter said. ''The cost of production is higher than the market, and that's because of high corn prices.''

Carter, however, was optimistic that another company would buy the 61,000-square-foot plant, which can process 625,000 birds a week.

''Very seldom does a facility like that go without a buyer,'' Carter said. ''On the surface, it looks like the situation is such that people wouldn't want to buy it, but if you look beneath the surface, you usually get the best buy when the price is down.''

Growers also may be able to sell birds elsewhere, Carter said. Townsend, Golden Poultry and Mount Aire have poultry processing plants in Siler City, Sanford and Bonlee, respectively, Carter said.

''Eventually, growers will adjust and move in with other companies,'' Carter said, ''but it may take longer than some can adjust their finances for.''

Growers work under contract to processors like Perdue. The processor owns the chickens, so in this case the farmers won't get stuck with the birds. But they could get stuck with big investments in chicken houses, which cost about $120,000. The average farmer in the area has three houses, said Dr. Glenn Carpenter, a Pittsboro extension agent specializing in poultry. Some older houses may have cost just a few thousand dollars, he said.

Many growers raise chickens part-time. Typically, it's a family affair employing between one and three people, but some operations are larger and full-time.

The plant was one of a group of processing facilities that Perdue bought from Showell Farms in January 1995. Its products are sold mostly to institutional users such as schools, hospitals and restaurants.

MIXED SIGNALS

In recent months, signs were that it was prospering. Olivier Devaud, director of Chatham's Economic Development Commission, said the plant had been hiring workers since announcing in December that it needed 150 more. In the past year Perdue spent $4 million for new equipment at the plant and $1 million on an expansion, which was still under way when Friday's announcement came.

Other signals were more ominous. In March, Perdue—the nation's No. 2 poultry producer—said it would cut production by 7 percent, but that it didn't plan layoffs. Other large poultry firms, including Tyson, Hudson Foods Inc. and Pilgrims Pride Corp., had already announced similar cuts.

Poultry and eggs make up the most lucrative agricultural industry in the state, said Kim Decker of the state Agriculture Department. In 1994, the most recent year for which statistics were available, poultry and eggs earned farmers $1.9 billion, he said.

In contrast, revenue from hogs was $980 million and from tobacco, $943 million. Statewide, the industry employs more than 27,000 people.

MAJOR JOB SOURCE

The plant is Chatham's third largest employer. Devaud said its closing would be a blow to the local economy. But new companies and expansions are expected to bring 120 new jobs to Siler City in the next month alone, and the county's unemployment rate is just 2.7 percent.

Devaud said he hopes that Townsend, the county's biggest employer, can eventually hire some of the workers at its chicken processing plant.

One who might be looking is Steven Garner, who landed a job loading trucks at the Perdue plant three weeks ago. He was angry Friday.

''That's 800 people,'' he said between puffs of a cigarette.

''I've got a family. I'm the one who buys the groceries and pays the bills. It's going to be really hard.''

By Mr. GRAMM (for himself, Mr. D'AMATO, Mr. BRYAN, and Ms. MOSELEY-BRAUN):

S. 1815. A bill to provide for improved regulation of the securities markets, eliminate excess securities fees, reduce the costs of investing, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE SECURITIES INVESTMENT PROMOTION ACT OF 1996

Mr. GRAMM. Mr. President, today I am joined by Senators D'AMATO, DODD, BRYAN, and MOSELEY-BRAUN in introducing the Securities Investment Promotion Act of 1996. This is important legislation incorporating reforms supported by business and by State and Federal Securities regulators.

This legislation moves forward in a significant way to define a division of labor between the State and Federal governments for the supervision of the securities industry. In the process two very important goals are achieved. We improve administration of our nation's securities laws while at the same time greatly reducing the cost of that regulation.

We must always remember that the cost of securities regulation, however desirable or effective that regulation may be, is ultimately born by the people who invest. Today, that includes almost everyone. Not everyone may have a stock portfolio, although an increasing number of American families do. But most Americans have investments in a mutual fund or have a stake in a pension fund that invests in our nation's securities markets. More and more small businesses are funding their growth, expansion, and job creation with financing from the securities markets.

When I became Chairman of the Securities Subcommittee, I was struck by the number of State and Federal regulators, and people in the securities business, as well as investors, who commented on the need to reform out-of-date and unnecessary securities regulation. The most immediate need in that regard the Congress addressed last year, with our bill to reform securities litigation. That was a measured, bipartisan effort.

The legislation that we are introducing today is a continuation of that bipartisan spirit. I am proud to be joined by the Chairman of the Banking Committee, Senator D'AMATO, as well as by the Ranking Member of the Securities Subcommittee, Senator DODD, together with Senators BRYAN and MOSELEY-BRAUN of the Banking Committee. We have all worked closely in drafting the bill that we are introducing, and have in addition benefited from comments and suggestions from the SEC, State securities regulators, trade associations, the stock exchanges, and self-regulatory organizations, among others. I invite further comments as we consider this bill in the Committee and then on the floor of the Senate. I have intentionally sought to cast the net wide in seeking comment from the public on this legislation, since, ultimately, what we do in this bill affects the people of this country in very important ways.

Mr. President, I would like to comment briefly on some of the key provisions of the bill.

Title I of the bill is called the Investment Advisers Integrity Act. It is an updated version of a bill that I introduced on the first day of the 104th Congress, S. 148. There are approximately 25,000 registered investment advisers in the nation today, and the number keeps growing. The SEC has testified that they do not have the resources to supervise effectively such a large number of advisers. In the past, proposals were put forward to increase SEC funding for enforcement of the Investment Adviser Act of 1940 by assessing a $16 million tax on the industry. Even with such a tax, however, an investment adviser could have gone several years without an inspection.

Title I of the bill tries a different approach, first suggested to me by former SEC Commissioner Rick Roberts. This approach addresses the problem through a partnership between the Federal and State securities regulators, dividing up the responsibility. The States would have exclusive jurisdiction to register investment advisers who manage less than $25 million in client assets. These are the investment advisers whose activities are most likely to be within their home State. In fact, about half of all investment advisers do not personally manage any client assets at all.

The SEC would have exclusive responsibility for registration of investment advisers who manage $25 million or more of client assets, as well as for all investment advisors to mutual funds. These are the investment advisers most likely to be engaged in interstate commerce, appropriately a Federal concern.

I would add, Mr. President, that this provision does not impose a Federal mandate on the States, for under the provisions of the bill, any State that did not want to assume the responsibility for registration of investment advisers is not required to do so. The advisers in such a State would then be required to register with the SEC, regardless of the size of their business.

The effect of this division of responsibility will be that between two-thirds and three-quarters of investment advisers will be supervised by the States where they do their business. On the other hand, perhaps as much as two-thirds or more of the assets under management will be managed by investment advisers supervised by the SEC, demonstrating the concentration of managed assets in the hands of the larger investment advisers, having multi-state operations.

I would like to express my appreciation to the representatives of the investment adviser industry, the SEC, and the Texas State Securities Commissioner, Denise Crawford, for their assistance in revising and crafting this title of the bill, and the support that they have expressed for this approach. Whereas today investment adviser supervision is limited at best, and more often than not effectively non-existent, this division of labor will mean that adequate resources and attention can not be brought to bear to encourage the integrity of the industry and further increase the investment opportunities for American families.

Mr. President, perhaps the most significant impact of this bill will come from the provisions assigning responsibility for mutual fund prospectuses review to the SEC. Mutual funds spend tens of millions of dollars each year complying with a patchwork of varied and often conflicting State requirements governing the prospectuses by which funds are offered to investors. These requirements are merely different, usually duplicative, and to not provide investors with any added useful information than what is already required by the SEC. Moreover, complying with these requirements is time consuming. In just one example, while a particular mutual fund was awaiting delays in clearing its prospectus with a certain State regulator, its value increased by 16%. That was a 16% growth denied to the investors of that State who could not place funds with the mutual fund until its prospectus had cleared the State regulators. No investor was helped by that delay. The mutual fund industry has dramatically increased the investment opportunities for American families of all levels of income, and I am please to further the efforts of my colleagues, Congressmen FIELDS and BLILEY, to move forward this important relief from unnecessary regulatory burden.

Similarly, stocks that are traded on the national stock exchange and trading systems would be exempted from State regulation under the provisions of this bill. Again, as with mutual funds, this is a national business, the very kind of activity contemplated by the Founding Fathers with the interstate commerce clause of the Commission.

One of the provisions of the bill, which I consider of high importance, is a requirement that the Chief Economist of the SEC conduct and publish an economic analysis of each new regulation before the regulation can enter into effect. Mr. President, the SEC is a lawyer-heavy agency. The Officer of General Counsel, for example, has a budget of over $10 million and 120 staff members. By comparison, the Office of Economic Analysis, even with the increase required by my amendment to the appropriation bill, has a budget of $3 million and about two dozen employees.

The actions of the SEC in regulating the nation's capital markets have a profound impact on the economy of the nation and of the world. It is therefore of paramount importance that a high priority be given within the SEC to careful examination and analysis of the economic and market consequences of its regulations. Otherwise, we are in danger of regulating blindly, which the economic livelihood and health of the nation cannot risk.

While there are many other important provisions of the bill, I will conclude, Mr. President, by emphasizing the last section of the bill. This provision addresses the need for improving the access to U.S. stock exchanges for the listing of world-class foreign companies. Today, U.S. accounting standards are in many points different from the accounting standards of other countries. They are not necessarily better, just different. Under current regulations, a foreign company wishing to list on a U.S. stock exchange would first have to meet U.S. accounting standards, which in effect may mean that the company would have to keep two sets of books.

The SEC has sought to address this problem through a greater harmonization of international accounting standards. The bill encourages the SEC to redouble its efforts to achieve a level of generally accepted accounting standards and to report to the Congress on its progress.

Our nation's stock exchanges are the preeminent exchanges in the world. It is hard to see how we can continue that position long into the next century while maintaining formidable obstacle to the listing on our exchanges of the major corporations of the world. I do not see how any American investor is protected by being forced to resort to the London or Frankfurt stock exchanges in order to invest in foreign corporations.

Mr. President, this is important legislation. Congressman JACK FIELDS and the members of the House Commerce Committee have done the country a great service by setting in motion a process by which the Congress will begin to delineate clearly the roles of the State and Federal governments in securities regulation. I hope that this bill can be adopted in short order and meet in conference with similar legislation recently adopted unanimously by the House Commerce Committee.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

SECURITIES INVESTMENT PROMOTION ACT OF 1996

SECTION 1. SHORT TITLE: TABLE OF CONTENTS.

Securities Investment Promotion Act of 1996.

SEC. 2. SEVERABILITY.

Court striking any provision of the Act does not affect other provisions.

TITLE I. INVESTMENT ADVISERS INTEGRITY ACT

SEC. 101. SHORT TITLE.

Investment Advisers Integrity Act.

SEC. 102. ENHANCED FUNDING FOR ENFORCEMENT.

Authorizes appropriation of up to $16 million in each of FY1997 and FY1998 for enforcement of the Investment Advisers Act of 1940.

Sec. 103. Improved Supervision Through Federal and State Cooperation

Investment advisers with less than $25 million in assets under management and that do not advise a mutual fund are exempted from registering with the SEC if they are required to register with the state where the adviser maintains its business.

The SEC may exempt from requirements to register with the SEC other persons or classes of persons if the SEC determines that registration would be unfair, a burden on interstate commerce, or for other reasons. The SEC is given similar authority to make exemptions from state registration.

Investment advisers registered with the SEC are exempt from state investment adviser regulation. States may require such investment advisers to file notice with the state and pay appropriate fees.

SEC. 104. INTERSTATE COOPERATION.

Investment advisers complying with books and records requirements of the state of their principal place of business cannot be subject to added books and records requirements by other states where they may conduct business.

A state may not require an investment adviser to maintain a higher net capital to post a higher bond than required by the sate where the principal offices are located.

SEC. 105. DISQUALIFICATION OF CONVICTED FELONS.

The SEC is authorized to deny investment advisery registration to anyone convicted of a felony in the previous 10 years.

TITLE II. FACILITATING INVESTMENT IN MUTUAL FUNDS

SEC. 201. SHORT TITLE.

Investment Company Act Amendments of 1996.

SEC. 202. FUNDS OF FUNDS.

Allows mutual funds to invest in other mutual funds in the same group or family of funds and allows just one of the funds to impose sales charges on investors.

SEC. 203. FLEXIBLE REGISTRATION OF SECURITIES.

Simplifies the calculation and payment of registration fees by mutual funds.

SEC. 204. INVESTMENT COMPANY ADVERTISING PROSPECTUS.

Allows mutual funds to include in their advertising information that was not included in their last prospectus.

SEC. 205. VARIABLE INSURANCE CONTRACTS.

Gives insurance companies that issue variable annuities the same ability as mutual funds to set product charges.

SEC. 206. PROHIBITION ON DECEPTIVE INVESTMENT COMPANY NAMES.

Mutual funds may not have deceptive or misleading names.

SEC. 207. EXCEPTED INVESTMENT COMPANIES.

Exempts from mutual fund regulation any fund not publicly offered and whose investors are persons who each own at least $5 million in investments or are institutional investors owning at least $25 million in investments.

Within one year the SEC shall prescribe rules to allow employees of such a fund to invest in the fund.

SEC. 208. PERFORMANCE FEES.

Gives authority to the SEC to allow investment advisers to be paid performance fees for advising sophisticated investors.

TITLE III. REDUCING THE COSTS OF SAVING AND INVESTMENT

SEC. 301. EXEMPTION FOR ECONOMIC, BUSINESS, AND INDUSTRIAL DEVELOPMENT COMPANIES.

Exempts business industrial development companies from the Investment Company Act if at least 80% of its securities are sold to ''accredited'' investors who are of the state where the company is organized.

SEC. 302. INTRASTATE CLOSED-END INVESTMENT COMPANY EXEMPTION.

Raises from $100,000 to $10 million the limit for closed-end investment companies to qualify for an exemption from the Investment Company Act.

Sec. 303. Definition of Eligible Portfolio Company

Expands the definition of an eligible portfolio company to include companies with up to $4 million in assets.

Sec. 304. Definition of Business Development Companies

Removes requirement that a business development company provide significant managerial assistance.

Sec. 305. Acquisition of Assets by Business Development Companies

Permits BDCs to acquire securities of a company it may invest in from sources other than the company itself.

Sec. 306. Capital Structure Amendments

Allows BDCs that meet certain requirements to issue a broader range of securities.

Sec. 307. Filing of Written Statements

Authorizes the SEC to require BDCs to include a description of risk factors associated with their capital structure in a written annual report to shareholders.

Sec. 308 Facilitating National Securities Markets.

Codifies existing state exemptions from state registration for securities that are traded on a national exchange, the Nasdaq National Market System, or other exchange or system identified by the SEC, and securities sold to qualified purchasers. Exempts from state registration mutual funds and other investment companies. No state review of prospectuses for such securities or mutual funds. States may impose notice and appropriate fee requirements and are not limited from enforcing state fraud laws in connection with such securities.

Sec. 309. Regulatory Flexibility

Gives the SEC authority to make exemptions from provisions of the Securities Act of 1933 and the Securities Exchange Act of 1934.

Sec. 310. Analysis of Economic Effects of Regulation

Requires the Chief Economist of the SEC to prepare and publish an economic analysis of any proposed SEC regulation before it becomes effective. Authorizes $6 million in appropriations for FY 1997 and $6 million for FY 1998 for the SEC's Economic Analysis Program, including the Office of Economic Analysis.

Sec. 311. Privatization of EDGAR

Requires the SEC, within 180 days of enactment, to submit to Congress a report on its plan for promoting competition and innovation of EDGAR through the privatization of all or parts of the system.

Sec. 312. Improving Coordination of Supervision

Directs the SEC and other securities examination authorities to coordinate their examinations.

Sec. 313. Increased to Foreign Business Information

Facilitates participation by U.S. information media in financial press briefings held outside of the United States.

Sec. 314. Short-Form Registration

Clarifies that voting and non-voting shares shall be considered in determining whether a company is eligible to use the short-form registration statement.

Sec. 315. Church Employee Pension Plans

Exempts church employee pension plans from federal and state securities laws, except the anti-fraud provisions. The plans would continue to be subject to Internal Revenue Code regulations regarding eligibility, governance, and operations of such plans.

Sec. 316. Promoting Preeminence of American Securities Markets

Expresses the sense of the Congress that the SEC should reinforce its efforts in developing generally accepted international accounting standards in order to enhance the ability of foreign corporations to list their stocks on U.S. exchanges, and requires the SEC to report to Congress in one year on its progress.

Mr. D'AMATO. Mr. President, it is with great enthusiasm that I rise today with my colleagues, the chairman and ranking member of the Securities Subcommittee, Senator GRAMM and Senator DODD, and Senators BRYAN and MOSELEY-BRAUN to introduce the Securities Investment Promotion Act of 1996.

The U.S. securities market is the preeminent market in the world. It is a fair, efficient and orderly market. In 1995, the U.S. equity market capitalization of $7.98 trillion represented nearly half of the $16.48 worldwide equity market. The market is at an all time high, having increased in trading volume 168 percent in the last decade from 77.3 billion to 207.4 billion. Clearly our securities market is a national treasure.

This bill my colleagues and I introduce today represents a bi-partisan effort to improve regulation of the securities market. The legislation seeks to maintain our preeminent securities market by making it even more efficient and more accessible to those individuals and entities who seek entry in order to raise capital.

The legislation streamlines securities regulation by peeling back layers of duplicative, unnecessary and burdensome regulation—opening up the capital markets and promoting capital formation. It makes more efficient use of precious State and Federal resources by dividing rather duplicating regulatory responsibility. These changes will also strengthen consumer and investor protection.

INVESTMENT ADVISERS

The Securities Investment Promotion Act fills a significant regulatory gap in the area of investment advisers. As low interest rates have caused individuals to flock to the securities markets with their savings and retirement money—often seeking advice from an investment adviser—it becomes increasingly critical for Congress to ensure that investment advisers are adequately regulated. The increase in mutual fund investments, which are usually managed by investment advisers, has also contributed to the growing number of investment advisers.

Right now, 22,000 investment advisers manage approximately $10.6 trillion in assets. The SEC does not have sufficient resources to maintain an adequate inspection program for investment advisers. According to some SEC estimates, they are only able to inspect some of the smaller investment advisers once every 30 years.

The bill creates a rational system of regulation for investment advisers by dividing between the SEC and the States responsibility for regulating investment advisers. States will regulate the smaller investment advisers who operate in their State and manage $25 million or less in assets. The SEC will regulate the larger advisers. This system will enable the States and the SEC to share regulatory responsibility—better protecting investors.

MUTUAL FUNDS

The Securities Investment Promotion Act of 1996 facilitates the registration, operation and certain disclosures made by mutual funds. Over 30 million U.S. households, or about 31 percent now own mutual funds. In part because of low interest rates, by the end of last year mutual fund assets hit the $2.7 trillion mark—exceeding bank deposits for the first time.

This bill allows the mutual fund market to operate as a national market, comprehensively regulated by the SEC. Right now, when a mutual fund registers its shares it must register with the SEC and the States. As a result, mutual funds must comply with a

crazy quilt of regulation imposed by the laws of each of the 50 States. This bill facilitates mutual fund registration by eliminating the requirement that mutual funds register with the States.

The bill makes it easier for mutual funds to provide current information in advertisements; calculate their registration fees and invest in other mutual funds in their family of funds. It also provides additional consumer and investor protection by giving the SEC authority to prohibit mutual funds from naming their funds in a manner that could mislead or confuse investors.

CAPITAL FORMATION

The bill promotes capital formation by eliminating overlapping State and Federal requirements for registering certain types of securities, such as securities sold to ''qualified purchasers'' or securities that are listed on a national securities exchange or market system. It also gives the SEC flexibility to identify other exchanges or systems that should qualify for the exemption from registration.

The bill promotes investment in small projects and business by making it easier for economic, business, and industrial development companies to raise money without having to register with the SEC. These companies will not have to register their securities if 80 percent or more of the securities are sold to accredited investors within the State the company operates. This bill provides further relied for companies operating within one State. The SEC may now exempt from the securities laws a company with $100,000 in assets that is operating within a State. The Securities Investment Promotion Act of 1996 raises this level to $10 million.

The bill provides liquidity and investment opportunities to business development companies—enabling these companies to invest more capital in small businesses. It also helps venture capitalists tap the capital markets to fund business endeavors by allowing individuals and entities to pool a certain amount of investment funds without having to register with the SEC.

REGULATORY MODERNIZATION

The legislation updates the securities laws to reflect the reality of today's marketplace. It simplifies certain procedures for paying fees and making disclosures. It gives the SEC flexibility to adapt to the changing financial market by giving the SEC authority to exempt transactions, individuals or entities from the Federal securities laws.

The bill fosters awareness of the cost of regulation by requiring the SEC to publish an economic analysis of a proposed regulation before it becomes effective. It also reduces the costs associated with revolving door compliance examinations, where one regulator completes its examination only to be replaced by the next. The legislation requires the regulators to coordinate examinations.

The Securities Investment Promotion Act of 1996 is a significant piece of legislation that will ensure that the U.S. securities market remains number one in the world. It is not a controversial bill, it enjoys support on both sides of the aisle. This bill thoughtfully and carefully tightens the laws governing the securities market. I commend my colleagues and their staff for their excellent work in drafting this legislation and plan to move it quickly through the Banking Committee.

Mr. DODD. Mr. President, I rise today to join Senators GRAMM, D'AMATO, BRYAN, and MOSELEY-BRAUN in introducing the Securities Investment Promotion Act of 1996.

The U.S. capital markets are vitally important for the good economic health not only of virtually every American company but for millions and millions of individual investors who have placed some of their assets either directly in securities or, as has become more and more common, into mutual funds.

We must recognize that sustained economic growth is heavily dependent upon the continuing ability of our capital markets and financial services industry to function efficiently and with integrity. If companies find impediments to obtaining capital, they will not grow. If individuals find impediments to their access to securities and other investments, they will not save. Taking steps to enhance the access of both corporations and individuals to the securities markets is a prudent means by which Congress can help sustain or even increase the Nation's rate of economic growth.

Furthermore, the American capital markets are the envy of the world. No other nation enjoys the international reputation of our capital markets and it is necessary for Congress periodically to review and modernize, where necessary, the laws that make our markets and our financial services industry the world's leader.

The legislation that is being introduced today is the culmination of a lengthy bipartisan effort to reform those aspects of the securities laws that are an outdated impediment to the efficient functioning of the securities industry. The bill will also provide clearer statutory directives to both state and Federal regulators so that the integrity of—and confidence in—our capital markets and financial services industry is enhanced.

Mr. President, let me provide a brief summary of the major elements of this legislation. The three main areas that the bill addresses are: improving the regulation of investment advisors under the Investment Advisors Act of 1940; modernizing and streamlining the regulation of mutual funds under the Investment Company Act of 1940; and, making modest adjustments in the securities laws to account for changes in the financial world over the past 60 years.

Title I, the Investment Advisors Integrity Act, would provide much needed clarity to regulators for the regulation of investment advisors under the Investment Advisors Act of 1940. The most important feature of this title is to draw a clear, bright line between those registered investment advisors who should be regulated at the Federal level by the Securities and Exchange Commission, and those advisors who are more properly regulated by the state that is the advisor's principal place of business.

The bill would require investment advisors with more than $25 million under management to be regulated by the Securities and Exchange commission, while those with assets under the $25 million threshold would be regulated by the state.

This bifurcation is necessary because it is not realistic to expect the SEC to be able to thoroughly supervise the more than 25,000 advisors who are registered under the IAA nor is it reasonable to have the advisor industry burdened by duplicative state and Federal regulation. This change will allow the state and Federal regulators to focus on those parts of the industry that is within their regulatory expertise, while freeing the industry from the burden of duplicative layers of regulation.

The second title of the bill is entitled Facilitating Investment in Mutual Funds. While most of my colleagues are aware of the rapid growth in the mutual fund industry, I wonder how many are aware that nearly one out of every three American families has money invested, in some form or another, in mutual funds. Mutual funds, as of 1995, have slightly more than $2 trillion dollars under management, with $800 billion coming from individual investors and $1.2 trillion coming from institutional investors.

The significantly increasing importance of the mutual fund industry led to a lengthy review by the Securities and Exchange Commission in 1992, entitled ''Protecting Investors: A Half-Century of Investment Company Regulation,'' which made recommendations for modernizing of the Investment Company Act of 1940. The last time Congress revised the ICA was in 1970, and many believe that it is approriate—a quarter century later—for Congress to take a fresh look at the issue of modernization.

Several of the mutual fund provisions of the legislation being introduced today were originally proposed by the SEC in their 1992 report. Other suggestions have been forthcoming since that report and represent a careful balance between the need to make the Investment Company Act fit the mutual fund industry as it exists today, without sacrificing any investor protection.

This section of the bill contains two major components: the first is to eliminate unnecessary state regulation of mutual funds, while preserving the state's authority to investigate for fraud and other types of wrongdoing. Mutual funds are highly regulated by the Securities and Exchange Commission through the Investment Company

Act of 1940; in fact, this is one of the most successfully regulated industries in America, borne out by the explosive growth in mutual funds since the Act was passed. In 1940, there were 105 registered companies with $2 billion in assets (according to the SEC); today, as I mentioned above, there are more than 5,300 funds holding over $2 trillion in assets.

The very success of SEC regulation has rendered most individual state regulations obsolete, not to mention that complying with these duplicative statutes is both expensive and burdensome on the industry. The costs of this regulatory burden are passed onto consumers. The legislation we are introducing today will preempt most state regulation of mutual funds, while preserving the state's necessary ability to protect consumers through anti-fraud and other statutes.

Another area that will be modernized through adoption of this legislation will be in the area of smaller funds whose investors are either wealthy individuals—defined in the bill as those with more than $5 million in investments—and institutional investors. These funds, which are exempt from many of the provisions of the Investment Company Act of 1940 because of their smaller size and unique nature, often provide critically needed capital directly to new corporations and generally to America's emerging industries. By modestly expanding the pool of people and institutions eligible to participate in such funds, the legislation seeks to expand the amount of capital available for investment, particularly newer, small and moderate sized companies.

There are also enhanced mutual fund disclosure requirements benefiting investors that we are continuing to develop, and I would anticipate that if and when this bill goes to mark-up, they will be added to the legislation.

The last title of the bill contains a number of provisions that attempt to remove anomalies that have developed within the securities laws as the financial world has changed over the last sixty years. These changes, while modest in and of themselves, will nevertheless provide significant and needed relief to both investors and industry.

In all, Mr. President, this is an extremely balanced and thoughtful bill that has been drafted in close consultation with the Securities and Exchange Commission and the North American Securities Administrators Association, the umbrella group for the fifty state securities administrators. It has been written in bipartisan manner that is increasingly rare in this body, and as a result, the bill provides statutory reform that is needed by investors, corporations and the financial services industry without sacrificing any consumer protections. I hope that the Senate will move expeditiously to pass this legislation.

Mr. BRYAN. Mr. President, I am pleased to sign on as a co-sponsor of the Securities Investment Promotion Act of 1996. This comprehensive effort to modernize our regulation of the capital markets will help us achieve the most efficient possible regulatory scheme, while preserving investor confidence in our markets by maintaining needed investor protection safeguards.

I come to this issue believing that our capital formation process is fundamentally sound. America's capital markets are the fairest, most successful, and the most liquid the world has ever known. By virtually every statistical measure, our capital markets are vibrant and healthy. The stock market has been setting new records for some time now and is in the midst of the longest run in this century. This has been an unprecedented boom for companies, investors and Wall Street firms.

The manner in which we reform our regulation of securities is important because tens of millions of Americans increasingly rely on our nation's financial markets to save for retirement, fund their children's college education, and to receive a rate of return on savings that exceeds the rate of inflation. Today, more than ever, the people of America are investing in America. For the first time in history, mutual fund assets exceed the deposits of the commercial banking system.

The growth in the mutual fund industry has been nothing short of phenomenal. Today, there are 2,222 stock funds, 2,576 bond and fixed-income funds, plus another 1,000 money-market funds, according to the Investment Company Institute. In fact, there are now twice as many mutual funds—with a value of around $2.8 trillion—as stocks listed on the New York Stock Exchange. The reason for this huge expansion of funds may be summed up in one word: demand. Funds continue to roll off the assembly line because investors want more avenues in which to put their money.

Investors are attracted to mutual funds because the market has remained generally trouble-free and because of its relative safety. While much of the credit for this environment should go to go to the industry itself, so too should credit go to an effective system of regulation. In our enthusiasm for updating and modernizing the oversight of this marketplace, care must be taken to maintain vital investor protections that have helped this industry grow and prosper.

Our securities laws and regulations are designed first and foremost to protect investors and to maintain the integrity of the marketplace, thereby promoting trust and confidence in our system of capital formation. We should strive for a securities regulatory system that is tough—but one that also is fair and reasonable.

On balance, I believe that this legislation does a good job of eliminating or modernizing laws and regulations that either are duplicative or outdated—without sacrificing investor protection. However, I also recognize that the introduction of this bill is just the first step in a longer process and that further fine tuning and revisions will be in order as we learn more about the practical effect of several of its specific provisions. I have decided to sign on as a co-sponsor despite the reservations I have about specific provisions contained in the bill. I will seek out the comments and views of federal and state regulators, industry representatives, and investor advocates on these matters.

I would like to take just a few minutes to briefly highlight a few key provisions of this legislation:

More rational investment adviser oversight. This bill seeks to rationalize the regulatory scheme for investment advisers. Over the last decade, both the House of Representatives and the Senate have held numerous hearings in which we have been told that our system of investment adviser regulation is woefully inadequate, both in terms of the resources we devote to the effort and the laws that govern the industry. Today, we take a modest first step in the effort to establish a credible program of investment adviser oversight. While I applaud the sensible approach contained in this bill, it is my hope that Congress does not end its consideration of this issue here.

This bill will direct the Securities and Exchange Commission to focus on the biggest investment advisers—those who manage more than $25 million of client assets. Investment advisers who fall below this threshold will be overseen by the State securities regulators, who appropriately are given the task of overseeing the smaller, local investment advisers. Now, it may be that the $25 million is not an appropriate dividing line. I would look for guidance here to the regulators and the industry who will be questioned on this issue. If we learn that the threshold is too high, too low, or too inflexible, I expect we will make the necessary revisions.

The oversight of investment advisers is an extremely important issue, as more and more Americans turn to these financial professionals to help guide them through the increasing complexity of our financial markets. Both the Senate and the House of Representatives have addressed the issue of improving investment adviser oversight for several years now, but each time we have failed to reach an agreement on how best to accomplish such a goal. Establishing a more rational system for determining jurisdiction is a helpful step. But, it is only a first step. If we can all agree on this, I hope that we can also agree to come back next year and begin the process of evaluating whether our investment adviser laws are adequate for the protection of investors. For example, as I understand it, there is little more to the federal system of regulation than filling out some paperwork and paying a one-time fee. There are no minimum standards of competency, training, or education to become an investment adviser. We

must take a closer look at this law to determine where it may be deficient and to make the necessary improvements.

Improved State-Federal Coordination. Today, both the Securities and Exchange Commission and the 50 State securities regulators share the responsibility for overseeing our capital markets. By and large, this system of shared regulatory responsibility has worked well, with the SEC taking responsibility for market-wide issues, while the States focus their attention on the issues most affecting individual investors and small businesses.

I also believe that there is room for improved coordination and a more clearly defined allocation of responsibility between the States and the SEC. I support the goal of eliminating duplicative and overlapping regulations that do not provide any additional protections to investors or to the markets but which do serve to increase the costs of raising capital. I believe this bill draws brighter lines of responsibility between the States and the SEC, and streamlines the securities offering process for American businesses. However, I will withdraw my support if any changes are made to the bill that will have the effect of weakening the State role in policing sales practices, or that will in any way undermine the enforcement authority of State securities regulators or the ability of defrauded investors to recover their losses in court under State laws.

Modernization of mutual fund oversight. This bill recognizes the fundamentally national character of the mutual fund industry by assigning exclusive responsibility for the routine review of mutual fund offering documents and related materials to the SEC and NASD. The legislation also encourages further innovation in the mutual fund industry by means of advertising prospectuses and fund of funds.

While I understand that this section of the bill generally corresponds to a similar section contained in H.R. 3005 recently approved by the House Commerce Committee, I am troubled that the Senate version fails to incorporate two key provisions of the House bill that deal with Commission authority with respect to reporting and record keeping requirements.

In closing, I want to say that it is my intention to carefully consider the feedback and comments we receive on this legislation—from Federal and State securities regulators—from representatives of the securities industry—and from investor advocates. I will work to revise any provisions that are identified as having the potential to upset the delicate balance between promoting capital formation and protecting investors that this bill now seeks to accomplish.

By Mr. GRASSLEY (for himself, Mr. HATCH, Mrs. KASSEBAUM, and Mr. BOND):

S. 1817. A bill to limit the authority of Federal courts to fashion remedies that require local jurisdictions to assess, levy, or collect taxes, and for other purposes; to the Committee on the Judiciary.

THE WISCONSIN WORKS ACT OF 1996

Mr. GRASSLEY. Mr. President, I rise today to introduce a measure that will assist the President of the United States in carrying out a promise he made to the people of Wisconsin that he would approve the Wisconsin Works program. There have been some problems getting welfare actually acted on. I had a very nice letter from the President last year for the work that we did on the welfare reform bill. But that measure got vetoed and so did a subsequent measure.

Now, the President has said that he supports the welfare reform demonstration project in Wisconsin, known as Wisconsin Works. Well, today, on behalf of myself, Senators COATS, ABRAHAM, GRAMM of Texas, ASHCROFT, CRAIG, COVERDELL, GRASSLEY, GREGG, SANTORUM, FAIRCLOTH, and NICKLES, I am submitting a very brief bill, which, in substance, says that when waivers are submitted by the Wisconsin Department of Health and Services to conduct a demonstration project known as Wisconsin Works, those waivers shall be deemed approved.

We have heard many stories about the need to reform welfare, Mr. President, and one of those stories that has been repeated recently is that of an experiment in Sedalia, MO, where applicants for food stamps were sent to an employer. Many of them took jobs, which is good. It moved them off public assistance. Those who were turned down because they were not capable could stay on public assistance. Those who refused to show up were taken off of the food stamp rolls. So there was an incentive for those who did not want to work. Two people went for the job, but they were turned down because they tested positive for drugs.

Under existing Federal law, the State of Missouri could not sanction those people, even though they were turned down for a job because they tested positive for drugs. The simple point of that is that that creates the most perverse of incentives—the incentive for people who are on public assistance and who do not want to have to take a job to get on drugs and they can stay on the public assistance rolls.

That is the kind of thing that needs to be changed. That is why we need welfare reform. Today, Mr. President, I am simply acting to expedite one of the many waivers now pending from the States, which has been delayed, I understand from the Governors, an average of 210 days. This measure, if and when adopted, will deem the waivers submitted by the State of Wisconsin to be approved.

By Mr. GRASSLEY (for himself, Mr. HATCH, Mrs. KASSEBAUM, and Mr. BOND):

S. 1817. A bill to limit the authority of Federal courts to fashion remedies that require local jurisdictions to assess, levy, or collect taxes, and for other purposes; to the Committee on the Judiciary.

THE FAIRNESS IN JUDICIAL TAXATION ACT OF 1996

• Mr. GRASSLEY. Mr. President, I introduce the Fairness in Judicial Taxation Act of 1996. I would like to thank Senator HATCH, Senator KASSEBAUM, and Congressman MANZULLO for their leadership on this issue. I hope that both the House and Senate will move quickly to pass this bill.

This important piece of legislation will curb the awesome power that the Federal courts gave themselves in the Supreme Court Case of Missouri versus Jenkins. As this body well knows, in that case the U.S. Supreme Court ruled that Federal courts could force towns and cities across America to raise taxes—even if State law forbids a tax increase. Amazingly, the Supreme Court failed to place any effective limitation on this power.

This is outrageous and violates one of the basic principles our great Nation was founded on—no taxation without representation. I really can't think of a more un-American creature than a tax imposed by an unelected, unaccountable Federal judge. I urge my fellow Senators to remember—the power to tax is the power to destroy.

This Congress is working hard to reduce the tax burdens on American families and small businesses. It would be a dereliction of duty not to do what we can to protect the American taxpayer from the destructive power of judge-imposed taxes.

Today, I expect to be appointed to a national commission which is charged with looking into ways to change the way the IRS operates so that it will be fairer to the American taxpayer. The bill I introduce today is intended to deal with the same sort of problem—helping to protect the American people from the abusive use of Federal power in the collection of taxes.

In my view, and I believe in the view of the vast majority of American taxpayers, it doesn't matter where the abuse comes from—the IRS or some Federal judge. The bottom line is that the scale has tipped too far in the direction of the Federal Government and away from protecting the rights of the American people.

Now, we cannot by statute overturn Missouri versus Jenkins. And we don't have the votes to pass a constitutional amendment. Since the Supreme Court has spoken, and we are stuck with judge-imposed taxes, the Fairness in Judicial Taxation Act goes as far as we can. The bill sets up a six-part test which must be met before a judge can compel the raising of taxes. In brief, before a court could impose a tax, the judge would have to prove:

That there is no way—other than a tax—to achieve justice; right now, courts can compel the raising of taxes

without even looking to see what else can be done;

The tax won't in reality make the problems the tax is supposed to fix even worse;

That the tax will not force property owners to leave the area, thereby actually reducing the amount of tax revenue for the town or city;

The proposed tax will not cause property values to plummet; when property owners leave to avoid judge-imposed taxes, this can cause the value of land and property to go through the floor;

The tax will not override tax caps set by local law; in Missouri versus Jenkins, the Supreme Court actually ruled that Federal Judge can strike down local tax caps;

The proposed tax will effectively redress only the narrow issue before the court; in some cases, Federal judges have used judge-imposed taxation plans to pay for vast social engineering schemes.

As you can see, Mr. President, these six factors will make it difficult—but not impossible—for courts to raise taxes. I wish we could just overturn Missouri versus Jenkins, but we can't. So, this is the next best thing.

Importantly, the Fairness in Judicial Taxation Act gives everyday, average Americans the right to go before the court and be heard on the issue of tax increases. Congress might not be able to force courts not to raise taxes, but we can at least make the courts listen to people who will be harmed by the tax increase. And anyone who wants to, and who has appeared before the judge to oppose the tax, can file their own independent appeal—immediately, and not at the end of the court case, which can drag on for many years.

Mr. President, this bill is good and fair and reasonable. It returns power back to the American people in a real and effective way.●

● Mrs. KASSEBAUM. Mr. President, I am pleased to join today Senator GRASSLEY in introducing the Fairness in Judicial Taxation Act of 1996. I want to commend Senator GRASSLEY, Senator HATCH, and Congressman MANZULLO for their leadership on this important issue.

In recent years, a number of judges have ordered local governments to impose taxes on citizens as a means to remedy a constitutional violation. In many of these cases, I have believed that Federal courts exceeded their limited jurisdiction under article III of the Constitution. While I fully understand the role of the judiciary in protecting constitutional rights, I do not believe that judges should be in the business of needlessly imposing taxes.

Our legislation addresses this issue by requiring Federal courts to meet certain criteria before imposing a tax. The Federal court must find that: There is no other means available to remedy the deprivation of rights, the tax will not contribute to the deprivation intended to be remedied, the tax will not result in a loss of revenue, the tax will not disproportionately affect any racial, ethnic, or national group, and plans submitted by a locality will not effectively redress the deprivation.

These five criteria are similar to the analysis any effective legislature would undertake before imposing a tax on its people. It is a reasonable, moderate approach to a difficult issue.

Mr. President, in 1990, I joined Senator Danforth in supporting a constitutional amendment which would prohibit judicial taxation. Senator THURMOND has advocated a legislative solution to this same issue. While these various approaches have not yet been successful, I believe they represent the emerging consensus that courts should stay out of the business of imposing taxes.

I would hope that the legislation we are introducing today will contribute to the important debate about this issue.

Mr. President, my interest in the issue of judicial taxation grew out of the experience of the Kansas City, MO, school system. In that case, the Federal judge has essentially taken over the school system by imposing a tax on the local population in order to finance implementation of a magnet school plan. His intervention, I would argue, has created an undercurrent of ill will, exacerbated racial tension, and done little to solve, over the long term, the problems with the Kansas City of school system.

School desegregation is not an easy issue. It is fraught with emotion, and there are no magic answers. But imposing a comprehensive solution from the bench—without the support of the community—has not proven effective. We simply must find a better approach to this problem—an approach which brings a community together.

I, for one, have strongly supported neighborhood schools. One of the real strengths of our education system has been in its local base. The sense of connection among students, parents, school officials, and communities is a vitally important source of support for children. When education loses its roots in the neighborhood, we lose the commitment and emphasis which are critical to academic success.

Moreover, at a time when the stresses and outright breakdown of many families have denied to children the strong and positive messages they should be receiving from the parents, the sense of connection and belonging that a school can provide becomes even more vital.

I fear that complex, Rube Goldberg solutions involving busing, magnet schools, and the such—financied by judicially imposed taxes—undermine community support for effective schooling. The business at hand is to guarantee that all our students have an opportunity for a quality education in their neighborhoods. That is where we should devote our energies and our financial resources.

Mr. President, I am pleased to join with Senator GRASSLEY in proposing legislation which deals with a key aspect of this problem—the imposition of taxes by Federal courts. It is my hope that the Senate will act expeditiously on this important legislation, and communities will again work together to improve education for all their children.●

By Mr. DASCHLE (for himself, Mr. BRYAN, Mr. DODD, Mr. KENNEDY, Mr. LEAHY, Ms. MIKULSKI, Ms. MOSELEY-BRAUN Mr. ROCKEFELLER, and Mr. SIMON) (by request):

S. 1818. A bill to amend the Employee Retirement Income Security Act of 1974 to provide for retirements savings and Security; to the Committee on Labor and Human Resources.

S. 1819. A bill to amend the Railroad Retirement Act of 1974 to provide for retirement savings and security; to the Committee on Labor and Human Resources.

S. 1820. A bill to amend title 5 of the United States Code to provide for retirement savings and security; to the Committee on Governmental Affairs.

S. 1821. A bill to amend the Internal Revenue Code of 1986 to provide for retirement savings and security; to the Committee on Finance.

RETIREMENT SAVINGS LEGISLATION

Mr. DASCHLE. Mr. President, lack of retirement security is America's quiet crisis.

Americans who work hard all their lives—either in the workplace or at home—deserve peace of mind that a secure retirement awaits them. But too many Americans live in fear that they cannot afford to retire because they do not have adequate pension coverage.

Right now, 51 million working Americans—more than half of private sector workers—have no private pension plan. Women are especially hard hit by this quiet crisis. Nearly two-thirds of working women do not have pension plans. And if you work in a small business, you only have a 1-in-4 chance of getting pension coverage.

Even those workers fortunate enough to have a pension plan cannot be sure their pensions will actually be there when they are ready to retire. Add to that the fact that more Americans are spending every dollar they earn just to pay the bills, leaving less and less for retirement, and it is no wonder people are worried about the future.

Working Americans should be able to count on a pyramid of income sources that, along with Medicare, provides them with a secure retirement. Social Security is the base of that pyramid, the foundation of retirement security. At the top of the pyramid are employer-provided pensions and private savings.

From day one, Democrats in this Congress have had to fight to protect Social Security and Medicare from attacks by the far right. And we will continue to defend those programs as the critical bedrock of retirement security.

But Social Security and Medicare—alone—were never intended to provide

full retirement security. If people are going to retire with dignity and security, they need personal savings, and they need adequate pension coverage. But too many obstacles exist in our current system for millions of Americans to get and keep pension coverage.

That is why pension reform is one of the top 3 priorities for Democrats between now and November. We are committed to getting some, if not all, of this package back to the President for his signature before this Congress ends.

Democrats plan to ease the fears of working Americans by making it easier for businesses to offer pension plans, and easier for workers who do not have access to employer-sponsored pensions plans to set up their own, tax-free pension plans.

We will also establish a new kind of 401(k) plan to help people save up to $5,000 a year, tax-free, for retirement.

Workers will be able to take their pensions and retirement savings accounts with them when they change jobs. They will not lose what they have already saved every time they take a new job. That is essential in an economy where the average worker will change jobs up to 8 times in his or her career.

In addition to more pensions, this plan will make all pensions more secure by requiring pension funds to be invested in a more timely manner, and by increasing civil and criminal penalties for pension raiding.

Finally, Democrats in the Senate will push to dramatically increase women's retirement security by enabling them to earn pensions themselves, and by making sure women are aware of the spousal pension funds to which they may be entitled.

My colleague from Kansas, Senator KASSEBAUM, predicted in a recent speech that pension reform would be the big issue for the next Congress. I respectfully disagree with my colleague. Senate Democrats believe that pension reform is a big issue for this Congress. There is no reason the American people should have to wait that long.

People who work hard all their lives deserve to be able to retire with dignity and security. We intend to ensure that they can, and we intend to do so this year.

● Ms. MOSELEY-BRAUN. Mr. President, I am pleased to have this opportunity to join my colleagues in introducing President Clinton's pension legislation, the Retirement Savings and Security Act. This legislation addresses some of the most serious concerns of the Nation's work force, and it will have a positive and lasting impact on the working people of this country. The Retirement Savings and Security Act will help America's working people prepare for their retirement, and help ensure their future economic security.

This plan tackles the significant problems of pension coverage and portability by making it easier for people to enroll in pension plans, by making it easier for small businesses to offer benefits to their employees, and by making it easier for people to save for their retirement.

A baby boomer will turn 50 every 7 seconds this year. The average American will hold between four and eight jobs in his or her lifetime. These trends require that we concern ourselves with increasing access to our Nation's pension system and ensuring that pensions are portable.

As the sponsor of S. 1756, the Women's Pension Equity Act, I want to take special note of the attention the President's plan gives to some of the pension issues which have a disproportionate impact on women.

Our pension system was not designed for working women, either those in the work force or in the home. The statistics vividly make the case. Women make up 60 percent of seniors over 65 years old, but 75 percent of the elderly poor. An elderly woman is twice as likely as a man to live below the poverty line. One reason for the high incidence of poverty among older women is clear—less than one-third of female retirees receive any pension benefits at all and for those that do, the average benefit is only half that of male retirees. Over half of all male retirees receive pension benefits.

There are a number of reasons for the disparity in men's and women's pension coverage and benefits. Women are more likely to move in and out of the work force to care for family, women are more likely to work at home, or to work in industries without generous salary or pension benefits, and women earn less compared to men—all of which contributes to little or no pension income.

This legislation encourages increased portability and lower vesting requirements. Allowing workers to earn pension benefits quickly and to take those benefits with them when they change jobs will directly benefit women, who are more likely than men to take time out of the work force to care for their children or their parents.

This legislation encourages small business to offer 401(k) plans. Expanding pension coverage into small businesses will directly benefit women, who disproportionately work in small businesses.

This legislation encourages employers to accept a lump sum rollover of a new employee's pension funds from the previous employer. Making it easier to transfer retirement funds directly into a new account, thereby decreasing the likelihood of pension savings being spent before retirement, will directly benefit women, who are almost a third more likely to receive a lump sum payment as their sole pension income, will benefit directly.

In addition, this plan contains several targeted initiatives that were drawn, in part, from S. 1756, and that will help to further ensure retirement security for older women. These are initiatives to protect working women and homemakers alike who face widowhood or divorce. The current pension laws often leave widows and divorced women without any of the pension benefits earned by their husbands during many years of marriage.

I am very pleased that the President acted to ensure that these provisions were included in the administration's pension bill. The President understands that our pension laws have to reflect the reality faced by women today in the work force, in the home, and in retirement.

I want to take particular note of the President's interest in dealing with two problems affecting widows and divorced widows whose deceased husbands participated in the Federal civil service retirement system.

The first provision in this legislation allows a widow or divorced widow to collect their husband's civil service pension if he dies after leaving his civil service job and before collecting his pension benefits. The second provision allows a court that awards a woman part of her husband's civil service pension upon divorce, to extend that award to any lump sum payment made if the husband dies before collecting benefits.

These provisions ensure that women will not be left without pension income in their retirement years because of absurd, yet potentially devastating, pension loopholes in the civil service retirement system. Similar language is included in S. 1756.

Mr. President, the President's pension initiative will result in significant improvements in pension coverage for older women. This bill is just another example of the President's commitment to increase the economic security of all Americans.

All Americans need improved pension coverage. We need to know that we can retire without falling into poverty or becoming a huge financial burden for our families. We need to know that the golden years are not going to turn into disposable years.

I commend the President on his efforts to expand pension coverage, portability, and security for all Americans and I commend the President for making a special effort when it comes to older women living alone—those most likely to live in poverty.

I am proud to be able to cosponsor this important initiative. All Americans, women included, deserve to retire with dignity.●

ADDITIONAL COSPONSORS

S. 483

At the request of Mr. HATCH, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 483, a bill to amend the provisions of title 17, United States Code, with respect to the duration of copyright, and for the other purposes.

S. 507

At the request of Mr. PRESSLER, the name of the Senator from Mississippi

[Mr. LOTT] was added as a cosponsor of S. 507, a bill to amend title 18 of the United States Code regarding false identification documents, and for other purposes.

S. 684

At the request of Mr. HATFIELD, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 684, a bill to amend the Public Health Service Act to provide for programs of research regarding Parkinson's disease, and for other purposes.

S. 814

At the request of Mr. MCCAIN, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 814, a bill to provide for the reorganization of the Bureau of Indian Affairs, and for other purposes.

S. 948

At the request of Mr. DORGAN, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 948, a bill to encourage organ donation through the inclusion of an organ donation card with individual income refund payments, and for other purposes.

S. 1166

At the request of Mr. LUGAR, the names of the Senator from Missouri [Mr. ASHCROFT], and the Senator from Virginia [Mr. ROBB] were added as cosponsors of S. 1166, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act, to improve the registration of pesticides, to provide minor use crop protection, to improve pesticide tolerances to safegaurd infants and children, and for other purposes.

S. 1183

At the request of Mr. HATFIELD, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1183, a bill to amend the Act of March 3, 1931 (known as the Davis-Bacon Act), to revise the standards for coverage under the Act, and for other purposes.

S. 1219

At the request of Mr. FEINGOLD, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 1219, a bill to reform the financing of Federal elections, and for other purposes.

S. 1397

At the request of Mr. KYL, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1397, a bill to provide for State control over fair housing matters, and for other purposes.

S. 1578

At the request of Mr. FRIST, the names of the Senator from Utah [Mr. BENNETT] and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of S. 1578, a bill to amend the Individuals with Disabilities Education Act to authorize appropriations for fiscal years 1997 through 2002, and for other purposes.

S. 1643

At the request of Mr. GREGG, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 1643, a bill to amend the Older Americans Act of 1965 to authorize appropriations for fiscal years 1997 through 2001, and for other purposes.

S. 1645

At the request of Mr. KERRY, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 1645, a bill to regulate United States scientific and tourist activities in Antarctica, to conserve Antarctic resources, and for other purposes.

S. 1731

At the request of Mr. CRAIG, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 1731, a bill to reauthorize and amend the National Geologic Mapping Act of 1992, and for other purposes.

S. 1743

At the request of Mr. BINGAMAN, the names of the Senator from Montana [Mr. BAUCUS], the Senator from Iowa [Mr. GRASSLEY], and the Senator from Oklahoma [Mr. INHOFE] were added as cosponsors of S. 1743, a bill to provide temporary emergency livestock feed assistance for certain producers, and for other purposes.

S. 1747

At the request of Mr. GRAMM, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 1747, a bill to correct the marking requirements for American-made feather and down-filled products.

S. 1755

At the request of Mr. DOMENICI, the names of the Senator from South Dakota [Mr. PRESSLER], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Iowa [Mr. GRASSLEY], and the Senator from Oklahoma [Mr. INHOFE] were added as cosponsors of S. 1755, a bill to amend the Federal Agriculture Improvement and Reform Act of 1996 to provide that assistance shall be available under the noninsured crop assistance program for native pasture for livestock, and for other purposes.

S. 1759

At the request of Ms. MIKULSKI, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 1759, a bill to amend title 5, United States Code, to require that written notice be furnished by the Office of Personnel Management before making any susbstantial change in the health benefits program for Federal employees.

SENATE RESOLUTION 250

At the request of Mr. BROWN, the names of the Senator from California [Mrs. BOXER], the Senator from Ohio [Mr. DEWINE], and the Senator from Utah [Mr. BENNETT] were added as cosponsors of Senate Resolution 250, a resolution expressing the sense of the Senate regarding tactile currency for the blind and visually impaired.

AMENDMENT NO. 4023

At the request of Mr. FAIRCLOTH, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of amendment No. 4023 proposed to Senate Concurrent Resolution 57, an original concurrent resolution setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002.

AMENDMENT NO. 4025

At the request of Mr. ROTH, the names of the Senator from Vermont [Mr. JEFFORDS], the Senator from North Dakota [Mr. DORGAN], the Senator from Delaware [Mr. BIDEN], the Senator from Illinois [Mr. SIMON] and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of amendment No. 4025 proposed to Senate Concurrent Resolution 57, an original concurrent resolution setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002.

SENATE CONCURRENT RESOLUTION 60—RELATIVE TO A CONDITIONAL ADJOURNMENT OR RECESS OF THE SENATE AND HOUSE OF REPRESENTATIVES

Mr. LOTT submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 60

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Thursday, May 23, 1996, Friday, May 24, 1996, or Saturday, May 25, 1996, pursuant to a motion made by the Majority Leader or his designee in accordance with this resolution, it stand recessed or adjourned until noon on Monday, June 3, 1996, Tuesday, June 4, 1996 or until such time on that day as may be specified by the Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the house adjourns on the legislative day of Thursday, May 23, 1996, it stand adjourned until 2:00 p.m. on Wednesday, May 29, 1996, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

SENATE CONCURRENT RESOLUTION 61—RELATIVE TO COMMENDING AMERICANS WHO SERVED IN THE COLD WAR

Mr. DOLE submitted the following concurrent resolution; which was referred to the Committee on Armed Services:

S. CON. RES. 61

Whereas the most dangerous military competition in the history of mankind has come to a close without a nuclear holocaust;

Whereas men and women in the armed forces, intelligence community, and foreign service community of the United States

faithfully performed their duties during the period known as the Cold War;

Whereas many of these persons were isolated from family and friends and served under arduous conditions in far away lands in order to preserve peace and harmony throughout the world:

Whereas these persons performed their duty in the most successful, extended, military competition in the history of mankind and ensured that weapons of mass destruction, capable of destroying all humanity, were never released;

Whereas the self-discipline and dedication of these persons were fundamental to the prevention of a Super Power conflict; and

Whereas the silent determination of these persons brought a peaceful victory to all the people of the world: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress acknowledges the service and sacrifices of these Americans who contributed to historic victory in the Cold War.

Mr. DOLE. Mr. President, today I am pleased to join Representative RICK LAZIO of New York, in paying tribute to the dedicated Americans who served in the Armed Forces, Intelligence Agencies, and the Diplomatic Corps during the Cold War. Their courageous efforts not only ensured America's security, but eventually brought peace and freedom to millions of people around the world who had suffered under communism for decades.

In the aftermath of World War II, a new threat to freedom emerged. Fifty years ago this spring, British Prime Minister Winston Churchill warned the Western world of that new threat in a speech at Westminster College in Fulton, Missouri. ''From Stettin in the Baltic to Trieste in the Adriatic an iron curtain has descended across the Continent * * *. The Communist parties, which were very small in all these Eastern States of Europe, have been raised to pre-eminence and power far beyond their numbers and are seeking everywhere to obtain totalitarian control. Police governments are prevailing in nearly every case, and so far, except in Czechoslovakia, there is no true democracy.'' To combat this new threat Prime Minister Churchill called on us to work to prevent open hostilities and to ensure the ''* * * establishment of conditions of freedom and democracy as rapidly as possible in all countries.'' He further called for cooperation between the United States and her allies ''* * * in the air, on the sea, all over the globe and in science and in industry, and in moral force * * *'' in order that we might have an ''overwhelming assurance of security.''

For the next four decades, the United States, with its Allies, stood resolute against Communist aggression. The full resources of our military, intelligence organizations, and diplomatic corps were brought to bear to ensure freedom and prevent the spread of tyranny. The United States, through the Marshall Plan, rebuilt Europe. We formed alliances, such as NATO, with our allies to provide a coordinated military response to Communist aggression. And the United States embarked on the Strategic Defense Initiative, to ensure that future generations would not grow up fearing a nuclear holocaust.

Now, 50 years after Prime Minister Churchill's speech in Fulton, Missouri the United States is again the world's only super power. We again are leading the world into a new age. Just as America's principled leadership was required for victory in the Cold War, so will our moral strength be required to face the challenges of the future.

Mr. President, I think it is only fitting that today we take a few moments to recognize and thank those Americans who served our government throughout the long years of the Cold War. Without their dedication, bravery, and sacrifice our victory would not have been possible. I am pleased to join Congressman LAZIO in recognizing these Americans and I know my colleagues in the Senate join me in this expression of thanks.

SENATE CONCURRENT RESOLUTION 62—RELATIVE TO THE NAMING THE FIRST OF THE FLEET NEW ATTACK SUBMARINES THE ''SOUTH DAKOTA''

Mr. PRESSLER submitted the following concurrent resolution; which was referred to the Committee on Armed Services:

S. CON. RES. 62

Whereas the battleship South Dakota (BB–57) was commissioned on March 20, 1942, and was originally scheduled to host the surrender of Japan in World War II;

Whereas the battleship South Dakota (BB–57) quickly became the flagship of Admiral Chester W. Nimitz's 3d fleet and was renowned as the famous Battleship ''X'';

Whereas the battleship South Dakota (BB–57) was one of the greatest and most decorated battleships of World War II, earning the Navy unit commendation, the Asiatic-Pacific Campaign Medal with 13 battle stars, the World War II Victory Medal, and the Navy Occupation Service Medal;

Whereas on January 31, 1947, after only 5 years of service, the battleship South Dakota (BB–57) was decommissioned and placed in reserve;;

Whereas during its 5 years of dutiful service, the crew of the battleship South Dakota (BB–57) demonstrated both dedication and courage in their efforts to preserve the security of the United States and protect the freedoms of all Americans; and

Whereas it is entirely appropriate to have the first of the fleet of the new attack submarines of the Navy named the ''South Dakota'' in order to honor the courage and commitment of the brave crew of the battleship South Dakota (BB–57), and to serve as a fitting tribute to one of America's truly great battleships: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Secretary of the Navy should name the first of the fleet of the new attack submarines of the Navy the ''South Dakota''.

Mr. PRESSLER. Mr. President, I rise to honor and recognize Floyd Gulbrandson, Al Rickel, Charles Skorpik, Willie Wieland, and the rest of the dedicated crew of the famous World War II battleship BB–57, the *South Dakota*, by introducing a resolution to name the first of the next generation of new attack submarines (NSSN) the *South Dakota*.

Following naval tradition, naming the first vessel in a new fleet christens the entire fleet as the class of the first vessel named. Hence by naming the first submarine *South Dakota*, the entire NSSN fleet of four would be classified as the *South Dakota* class. This honor, naming a class of submarines after the BB–57 is truly an appropriate tribute.

For my colleagues familiar with U.S. naval history, the name *South Dakota* should recall a tradition of great battleships and great service. As history records, two separate classes of battleships have borne the name *South Dakota*. Both were marked by innovative design, artillery power, and sea strength. Commissioned in 1908 and authorized on August 19, 1916, BB–49, the first of a class of *South Dakota* battleships was to include six potent vessels. However, after the United States signed the Washington Arms Naval Limitation Treaty on February 6, 1922, construction of BB–49 and the entire *South Dakota* class was canceled due to a 10-year prohibition on warship construction. The first *South Dakota*, BB–49, would never participate in sea combat as she was scrapped before completion. Naval combat for a *South Dakota* class of warships would have to wait until World War II.

The next class of *South Dakota* battleships, this time composed of four vessels, was commissioned 33 years later in 1941, the first being BB–57. The four *South Dakota* class battleships were faster, stronger, and more resistant to damage than any other vessels constructed at that time. In particular, stretching more than 600 feet and displacing more than 43,000 tons of water, BB–57 was equipped with massive firepower, which included 9 16-inch guns, 16 5-inch guns, 68 40-millimeter guns, and 76 20-millimeter guns.

Both classes of *South Dakota* battleships represented the ingenious technological and planning expertise of America's battleship designers. These ships were carefully designed to ensure that our strategic interests and our defense needs were met. Particularly in the case of BB–57, the planning and design of the battleship were truly remarkable naval achievements, considering treaty limitations prior to World War II. *South Dakota* represented future U.S. domination as a world naval power.

Of course, a well-designed battleship is useless without a well-trained, dedicated crew. I would like to share with my colleagues an excerpt from a letter I received from a crewmember of the *South Dakota*. Mr. Elmer Pry's words represent the zeal, loyalty, and teamwork of those who served on this ship.

This ship was the most fightingest hard hitting machine of war that man has ever seen. We took it and by joe we dished it out. I was a very proud person to have the honor

to have been aboard her and I know all my shipmates felt the same. She took us through hell and back. We were mostly a green crew but with the help of the old salts we learned how to do the job and we sure did it as the record shows but I guess you have to give the credit to our beloved skipper, Captain Thomas L. Gatch. He is the one that made us a fighting crew. He trained us the day he came aboard to shoot and shoot straight. . . . Because of him the ship became a fighting machine.

Mr. President, Mr. Pry's words reflect that no resource we commit to the defense of our country is more valued and more precious than the brave individuals who sacrifice and serve. Admiral Nimitz once said, ''We [cannot] relax our readiness to defend ourselves. Our armament must be adequate to the needs, but our faith is not primarily in these machines of defense but in ourselves''. This was especially true of the brave crew of the *South Dakota*. To the American people, BB–57 became known as the famed ''Battleship X'', the flagship of Adm. Chester W. Nimitz's Third Fleet during World War II.

When the call to duty went out following the attack on Pearl Harbor, the crew of the *South Dakota* answered with valiant service. The *South Dakota* became the most decorated battleship of World War II. She participated in 9 major shore bombardments and shot down 64 enemy aircraft. Collectively, the crew of the *South Dakota* endured many battles and earned several distinguished awards, including the Navy Unit Commendation, the Asiatic-Pacific Campaign Medal with 13 battle stars, the World War II Victory Medal, and the Navy Occupation Service Medal.

On October 26, 1942, the *South Dakota* entered its first major battle with a green crew on deck. She was attacked by 180 enemy bombers in what is now known as the Battle of Santa Cruz Island. Defending both the *Enterprise* and *Hornet* aircraft carriers, the *South Dakota* boldly exchanged gunfire and shot down an unprecedented 30 enemy aircraft, rendering 2 enemy aircraft carriers inoperative. Through repeated bombardments and heavy fire, only 1 bomb out of 23 struck the *South Dakota*. For their valiant actions and enduring perseverance, Captain Gatch was decorated with the Navy Cross, the crew was presented with the Navy Unit Commendation, and the *South Dakota* received the first of 13 battle stars. There is no question that BB–57 was instrumental in our winning the naval war in the Pacific, thus protecting many of the freedoms we and countless others around the world enjoy today.

The name South Dakota is important in the history of World War II, not just in terms of naval heroism, but also heroism by South Dakotans on the homefront and the front lines. The State of South Dakota has a long history of strong support for the protection of our national security interests. Ten percent of the population of South Dakota, 74,100 individuals, are veterans. Of those, 20,100 served our country during World War II. Our veterans are representative of South Dakota's ardent commitment to serving our Nation in times of peace and war.

However, families who stayed at home also contributed to and supported the war effort. South Dakotans young and old dug deep into their pockets and piggy banks to keep American troops armed, fed, and clothed. During eight national fundraising campaigns, South Dakota exceeded its quotas. South Dakota consistently ranked first or second in the per capita sale of the Series ''E'' war bonds, known as the people's bonds. South Dakota raised $111.5 million from the sale of people's bonds—that is $173 for every South Dakota man, woman, and child. I am proud to hail from a State that stands for such sacrifice and service.

Mr. President, On January 31, 1947, the *South Dakota* was decommissioned and sold as scrap metal for $466,425. The mainmast and stubs of the 16-inch gun were saved from salvage and stand as a memorial in Sioux Falls to commemorate those who served aboard BB–57. The crew of the *South Dakota* and their descendants gather in Sioux Falls every 2 years to reminisce and offer their respects to those who served our country in war.

It would be appropriate for the first of our next generation of attack submarines—the latest example of naval technological innovation—to carry the name of America's most decorated battleship, the *South Dakota*. NSSN will represent the next generation of undersea superiority. NSSN will have increased flexibility, maneuverability and armaments. If the NSSN is named *South Dakota*, it will carry the history of days ago.

My resolution honors the memory of those associated with the name *South Dakota*, whether it be the designers of the previous *South Dakota* class ships, the veterans who served aboard the BB–57, or the thousands of *South Dakota*ns who unfailingly have answered the call to serve our country. I hope my colleagues will join me in furthering the tradition of the *South Dakota* by joining as sponsors of this resolution.

SENATE RESOLUTION 256—RELATIVE TO THE PRODUCTION OF RECORDS BY THE SELECT COMMITTEE ON INTELLIGENCE

Mr. DOLE (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 256

Whereas, the Office of the Inspector General of the Central Intelligence Agency has requested that the Select Committee on Intelligence provide it with copies of committee records relevant to the Office's pending review of matters related to the Zona Rosa massacre of six American citizens in El Salvador in 1985;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Vice Chairman of the Select Committee on Intelligence, acting jointly, are authorized to provide to the Office of Inspector General of the Central Intelligence Agency, under appropriate security procedures, copies of records that the Office has requested for use in connection with its pending review into matters related to the Zona Rosa massacre.

AMENDMENTS SUBMITTED

THE CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

BIDEN (AND OTHERS) AMENDMENT NO. 4037

Mr. EXON (for Mr. BIDEN, for himself, Mr. LEAHY, Mr. KOHL, and Mr. HATCH) proposed an amendment to the concurrent resolution (S. Con. Res. 57) setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002; as follows:

At the appropriate place, insert the following:

SEC. . A RESOLUTION REGARDING THE SENATE'S SUPPORT FOR FEDERAL, STATE AND LOCAL LAW ENFORCEMENT.

(a) FINDINGS.—The Senate finds that:

(1) Our Federal, State and local law enforcement officers provide essential services that preserve and protect our freedoms and security;

(2) Law enforcement officers deserve our appreciation and support;

(3) Law enforcement officers and agencies are under increasing attacks, both to their physical safety and to their reputations;

(4) Federal, State and local law enforcement efforts need increased financial commitment from the Federal Government for funding and financial assistance and not the slashing of our commitment to law enforcement if they are to carry out their efforts to combat violent crime;

(5) the President's Fiscal Year 1996 budget requested an increase of 14.8% for the Federal Bureau of Investigation, 10% for United States Attorneys, and $4 million for Organized Crime Drug Enforcement Task Forces; while this Congress has increased funding for the Federal Bureau of Investigation by 10.8%, 8.4% for United States Attorneys, and a cut of $15 million for Organized Crime Drug Enforcement Task Forces;

(6) On May 16, 1996, the House of Representatives has nonetheless voted to slash $300 million from the President's $5 billion budget request for the Violent Crime Reduction Trust Fund for Fiscal Year 1997 in H. Con. Res. 178; and

(7) The Violent Crime Reduction Trust Fund as adopted by the Violent Crime Control and Law Enforcement Act of 1994 fully funds the Violent Crime Control and Law Enforcement Act of 1994 without adding to the federal budget deficit.

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the provisions and the

functional totals underlying this resolution assume the Federal Government's commitment to fund Federal law enforcement programs and programs to assist State and local efforts shall be maintained and funding for the Violent Crime Reduction Trust Fund shall not be cut as the resolution adopted by the House of Representatives would require.

THE SENATE CAMPAIGN FINANCE REFORM ACT OF 1996

MCCAIN (AND OTHERS) AMENDMENT NO. 4038

(Ordered to lie on the table.)

Mr. MCCAIN (for himself, Mr. FEINGOLD, Mr. THOMPSON, Mr. WELLSTONE, Mr. GRAHAM, Mr. SIMON, Mrs. MURRAY, Mr. KERREY, Mr. KERRY, Mr. KOHL, Mr. DODD, and Mr. BINGAMAN) submitted an amendment intended to be proposed by them to the bill (S. 1764) to authorize appropriations for fiscal year 1997 for military construction, and for other purposes; from the Committee on Armed Services; as follows:

At the end of the bill, insert the following new title:

TITLE ____—CAMPAIGN FINANCE REFORM

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Senate Campaign Finance Reform Act of 1996''.

SEC. ___02. AMENDMENT OF CAMPAIGN ACT; TABLE OF CONTENTS.

(a) AMENDMENT OF FECA.—When used in this title, the term ''FECA'' means the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.).

(b) TABLE OF CONTENTS.—The table of contents of this title is as follows:

TITLE ____—CAMPAIGN FINANCE REFORM

Sec. ____01. Short title.
Sec. ____02. Amendment of Campaign Act; table of contents.

Subtitle A—Senate Election Spending Limits and Benefits

Sec. ____11. Senate election spending limits and benefits.
Sec. ____12. Free broadcast time.
Sec. ____13. Broadcast rates and preemption.
Sec. ____14. Reduced postage rates.
Sec. ____15. Contribution limit for eligible Senate candidates.

Subtitle B—Reduction of Special Interest Influence

CHAPTER 1—ELIMINATION OF POLITICAL ACTION COMMITTEES FROM FEDERAL ELECTION ACTIVITIES

Sec. ____21. Ban on activities of political action committees in Federal elections.

CHAPTER 2—PROVISIONS RELATING TO SOFT MONEY OF POLITICAL PARTIES

Sec. ____31. National committees.
Sec. ____32. State, district, and local committees.
Sec. ____33. Tax-exempt organizations.
Sec. ____34. Candidates.
Sec. ____35. Reporting requirements.

CHAPTER 3—SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES

Sec. ____41. Soft money of persons other than political parties.

CHAPTER 4—CONTRIBUTIONS

Sec. ____51. Contributions through intermediaries and conduits.

CHAPTER 5—ADDITIONAL PROHIBITIONS ON CONTRIBUTIONS

Sec. ____61. Allowable contributions for complying candidates.

CHAPTER 6—INDEPENDENT EXPENDITURES

Sec. ____71. Clarification of definitions relating to independent expenditures.

Subtitle C—Miscellaneous Provisions

Sec. ____81. Restrictions on use of campaign funds for personal purposes.
Sec. ____82. Campaign advertising amendments.
Sec. ____83. Filing of reports using computers and facsimile machines.
Sec. ____84. Audits.
Sec. ____85. Limit on congressional use of the franking privilege.
Sec. ____86. Authority to seek injunction.
Sec. ____87. Severability.
Sec. ____88. Expedited review of constitutional issues.
Sec. ____89. Reporting requirements.
Sec. ____90. Effective date.
Sec. ____91. Regulations.

Subtitle A—Senate Election Spending Limits and Benefits

SEC. ___11. SENATE ELECTION SPENDING LIMITS AND BENEFITS.

(a) IN GENERAL.—FECA is amended by adding at the end the following new title:

''TITLE V—SPENDING LIMITS AND BENEFITS FOR SENATE ELECTION CAMPAIGNS

''SEC. 501. CANDIDATES ELIGIBLE TO RECEIVE BENEFITS.

''(a) IN GENERAL.—For purposes of this title, a candidate is an eligible Senate candidate if the candidate—

''(1) meets the primary and general election filing requirements of subsections (c) and (d);

''(2) meets the primary and runoff election expenditure limits of subsection (b);

''(3) meets the threshold contribution requirements of subsection (e); and

''(4) does not exceed the limitation on expenditures from personal funds under section 502(a).

''(b) PRIMARY AND RUNOFF EXPENDITURE LIMITS.—

''(1) IN GENERAL.—The requirements of this subsection are met if—

''(A) the candidate or the candidate's authorized committees did not make expenditures for the primary election in excess of the lesser of—

''(i) 67 percent of the general election expenditure limit under section 502(b); or

''(ii) $2,750,000; and

''(B) the candidate and the candidate's authorized committees did not make expenditures for any runoff election in excess of 20 percent of the general election expenditure limit under section 502(b).

''(2) INDEXING.—The $2,750,000 amount under paragraph (1)(A)(ii) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that the base period shall be calendar year 1995.

''(c) PRIMARY FILING REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met if the candidate files with the Secretary of the Senate a certification that—

''(A) the candidate and the candidate's authorized committees—

''(i) will meet the primary and runoff election expenditure limits of subsection (b); and

''(ii) will only accept contributions for the primary and runoff elections which do not exceed such limits;

''(B) the candidate and the candidate's authorized committees will meet the limitation on expenditures from personal funds under section 502(a); and

''(C) the candidate and the candidate's authorized committees will meet the general election expenditure limit under section 502(b).

''(2) DEADLINE FOR FILING CERTIFICATION.—The certification under paragraph (1) shall be filed not later than the date the candidate files as a candidate for the primary election.

''(d) GENERAL ELECTION FILING REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met if the candidate files a certification with the Secretary of the Senate under penalty of perjury that—

''(A) the candidate and the candidate's authorized committees—

''(i) met the primary and runoff election expenditure limits under subsection (b); and

''(ii) did not accept contributions for the primary or runoff election in excess of the primary or runoff expenditure limit under subsection (b), whichever is applicable, reduced by any amounts transferred to this election cycle from a preceding election cycle;

''(B) at least one other candidate has qualified for the same general election ballot under the law of the State involved;

''(C) the candidate and the authorized committees of the candidate—

''(i) except as otherwise provided by this title, will not make expenditures that exceed the general election expenditure limit under section 502(b);

''(ii) will not accept any contributions in violation of section 315; and

''(iii) except as otherwise provided by this title, will not accept any contribution for the general election involved to the extent that such contribution would cause the aggregate amount of contributions to exceed the sum of the amount of the general election expenditure limit under section 502(b), reduced by any amounts transferred to this election cycle from a previous election cycle and not taken into account under subparagraph (A)(ii); and

''(D) the candidate intends to make use of the benefits provided under section 503.

''(2) DEADLINE FOR FILING CERTIFICATION.—The certification under paragraph (1) shall be filed not later than 7 days after the earlier of—

''(A) the date the candidate qualifies for the general election ballot under State law; or

''(B) if under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date the candidate wins the primary or runoff election.

''(e) THRESHOLD CONTRIBUTION REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount at least equal to the lesser of—

''(A) 10 percent of the general election expenditure limit under section 502(b); or

''(B) $250,000.

''(2) DEFINITIONS.—For purposes of this title—

''(A) the term 'allowable contributions' means contributions that are made as gifts of money by an individual pursuant to a written instrument identifying such individual as the contributor, except that such term shall not include contributions from individuals residing outside the candidate's State to the extent such contributions exceed 40 percent of the aggregate allowable contributions (without regard to this subparagraph) received by the candidate during the applicable period; and

''(B) the term 'applicable period' means—

''(i) the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on the date on which the certification

under subsection (c)(2) is filed by the candidate; or

''(ii) in the case of a special election for the office of United States Senator, the period beginning on the date the vacancy in such office occurs and ending on the date of the general election.

''SEC. 502. LIMITATION ON EXPENDITURES.

''(a) LIMITATION ON USE OF PERSONAL FUNDS.—

''(1) IN GENERAL.—The aggregate amount of expenditures that may be made during an election cycle by an eligible Senate candidate or such candidate's authorized committees from the sources described in paragraph (2) shall not exceed the lesser of—

''(A) 10 percent of the general election expenditure limit under subsection (b); or

''(B) $250,000.

''(2) SOURCES.—A source is described in this subsection if it is—

''(A) personal funds of the candidate and members of the candidate's immediate family; or

''(B) personal loans incurred by the candidate and members of the candidate's immediate family.

''(3) AMENDED DECLARATION.—A candidate who—

''(A) declares, pursuant to this Act, that the candidate does not intend to expend funds described in paragraph (2) in excess of $250,000; and

''(B) subsequently changes such declaration or expends such funds in excess of that amount,

shall file an amended declaration with the Commission and notify all other candidates for the same office not later than 24 hours after changing such declaration or exceeding such limits, whichever first occurs, by sending a notice by certified mail, return receipt requested.

''(b) GENERAL ELECTION EXPENDITURE LIMIT.—

''(1) IN GENERAL.—Except as otherwise provided in this title, the aggregate amount of expenditures for a general election by an eligible Senate candidate and the candidate's authorized committees shall not exceed the lesser of—

''(A) $5,500,000; or

''(B) the greater of—

''(i) $950,000; or

''(ii) $400,000; plus

''(I) 30 cents multiplied by the voting age population not in excess of 4,000,000; and

''(II) 25 cents multiplied by the voting age population in excess of 4,000,000.

''(2) EXCEPTION.—In the case of an eligible Senate candidate in a State that has not more than 1 transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, paragraph (1)(B)(ii) shall be applied by substituting—

''(A) '80 cents' for '30 cents' in subclause (I); and

''(B) '70 cents' for '25 cents' in subclause (II).

''(3) INDEXING.—The amount otherwise determined under paragraph (1) for any calendar year shall be increased by the same percentage as the percentage increase for such calendar year under section 501(b)(2).

''(c) PAYMENT OF TAXES.—The limitation under subsection (b) shall not apply to any expenditure for Federal, State, or local taxes with respect to earnings on contributions raised.

''(d) SPECIAL EXCEPTION FOR COMPLYING CANDIDATES RUNNING AGAINST NON-COMPLYING CANDIDATES.—If in the case of an election with more than one candidate where one or more candidates who have received contributions in excess of 10 percent of the general election limits contained in this Act or has expended personal funds in excess of 10 percent of the general election limits contained in this Act choose not to comply with the provisions of this Act or violate the limitations on expenditures contained in this Act, such limitations contained in section 502(b) of this Act for the complying candidate(s) shall be increased by 20 percent.''

''SEC. 503. BENEFITS ELIGIBLE CANDIDATES ENTITLED TO RECEIVE.

''An eligible Senate candidate shall be entitled to receive—

''(1) the broadcast media rates provided under section 315(b) of the Communications Act of 1934;

''(2) the free broadcast time provided under section 315(c) of such Act; and

''(3) the reduced postage rates provided in section 3626(e) of title 39, United States Code.

''SEC. 504. CERTIFICATION BY COMMISSION.

''(a) IN GENERAL.—Not later than 48 hours after an eligible candidate qualifies for a general election ballot, the Commission shall certify the candidate's eligibility for free broadcast time under section 315(b)(2) of the Communications Act of 1934. The Commission shall revoke such certification if it determines a candidate fails to continue to meet the requirements of this title.

''(b) DETERMINATIONS BY COMMISSION.—All determinations (including certifications under subsection (a)) made by the Commission under this title shall be final, except to the extent that they are subject to examination and audit by the Commission under section 505.

''SEC. 505. REPAYMENTS; ADDITIONAL CIVIL PENALTIES.

''(a) EXCESS PAYMENTS; REVOCATION OF STATUS.—If the Commission revokes the certification of a candidate as an eligible Senate candidate under section 504(a), the Commission shall notify the candidate, and the candidate shall pay an amount equal to the value of the benefits received under this title.

''(b) MISUSE OF BENEFITS.—If the Commission determines that any benefit made available to an eligible Senate candidate under this title was not used as provided for in this title, or that a candidate has violated any of the spending limits contained in this Act, the Commission shall so notify the candidate and the candidate shall pay an amount equal to the value of such benefit.''.

(b) TRANSITION PERIOD.—Expenditures made before January 1, 1997, shall not be counted as expenditures for purposes of the limitations contained in the amendment made by subsection (a).

SEC. ___12. FREE BROADCAST TIME.

(a) IN GENERAL.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) in subsection (a)—

(A) by striking ''within the meaning of this subsection'' and inserting ''within the meaning of this subsection and subsection (c)'';

(B) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(C) by inserting immediately after subsection (b) the following new subsection:

''(c)(1) An eligible Senate candidate who has qualified for the general election ballot shall be entitled to receive a total of 30 minutes of free broadcast time from broadcasting stations within the State or an adjacent State.

''(2)(A) Unless a candidate elects otherwise, the broadcast time made available under this subsection shall be between 6:00 p.m. and 10:00 p.m. on any day that falls on Monday through Friday.

''(B) Except as otherwise provided in this Act, a candidate may use such time as the candidate elects except that such time may not be used in intervals of less than 30 seconds or more than 5 minutes.

''(C) A candidate may not request more than 15 minutes of free broadcast time be aired by any one broadcasting station.

''(3)(A) In the case of an election among more than 2 candidates, the broadcast time provided under paragraph (1) shall be allocated as follows:

''(i) The amount of broadcast time that shall be provided to the candidate of a minor party shall be equal to the number of minutes allocable to the State multiplied by the percentage of the number of popular votes received by the candidate of that party in the preceding general election for the Senate in the State (or if subsection (d)(4)(B) applies, the percentage determined under such subsection).

''(ii) The amount of broadcast time remaining after assignment of broadcast time to minor party candidates under clause (i) shall be allocated equally between the major party candidates.

''(B) In the case of an election where only 1 candidate qualifies to be on the general election ballot, no time shall be required to be provided by a licensee under this subsection.

''(4) The Federal Election Commission shall by regulation exempt from the requirements of this subsection—

''(A) a licensee whose signal is broadcast substantially nationwide; and

''(B) a licensee that establishes that such requirements would impose a significant economic hardship on the licensee.''; and

(2) in subsection (d), as redesignated—

(A) by striking ''and'' at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting a semicolon; and

(C) by adding at the end the following new paragraphs:

''(3) the term 'major party' means, with respect to an election for the United States Senate in a State, a political party whose candidate for the United States Senate in the preceding general election for the Senate in that State received, as a candidate of that party, 25 percent or more of the number of popular votes received by all candidates for the Senate;

''(4) the term 'minor party' means, with respect to an election for the United States Senate in a State, a political party—

''(A) whose candidate for the United States Senate in the preceding general election for the Senate in that State received 5 percent or more but less than 25 percent of the number of popular votes received by all candidates for the Senate; or

''(B) whose candidate for the United States Senate in the current general election for the Senate in that State has obtained the signatures of at least 5 percent of the State's registered voters, as determined by the chief voter registration official of the State, in support of a petition for an allocation of free broadcast time under this subsection; and

''(5) the term 'Senate election cycle' means, with respect to an election to a seat in the United States Senate, the 6-year period ending on the date of the general election for that seat.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to general elections occurring after December 31, 1996 (and the election cycles relating thereto).

SEC. ___13. BROADCAST RATES AND PREEMPTION.

(a) BROADCAST RATES.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) by striking ''(b) The changes'' and inserting ''(b)(1) The changes'';

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(3) in paragraph (1)(A), as redesignated—

(A) by striking ''forty-five'' and inserting ''30''; and

(B) by striking ''lowest unit charge of the station for the same class and amount of time for the same period'' and inserting ''lowest charge of the station for the same amount of time for the same period on the same date''; and

(4) by adding at the end the following new paragraph:

''(2) In the case of an eligible Senate candidate (as described in section 501(a) of the Federal Election Campaign Act), the charges for the use of a television broadcasting station during the 30-day period and 60-day period referred to in paragraph (1)(A) shall not exceed 50 percent of the lowest charge described in paragraph (1)(A).''.

(b) PREEMPTION; ACCESS.—Section 315 of such Act (47 U.S.C. 315), as amended by section ___12(a), is amended—

(1) by redesignating subsections (d) and (e) as redesignated, as subsections (e) and (f), respectively; and

(2) by inserting immediately after subsection (c) the following subsection:

''(d)(1) Except as provided in paragraph (2), a licensee shall not preempt the use, during any period specified in subsection (b)(1)(A), of a broadcasting station by an eligible Senate candidate who has purchased and paid for such use pursuant to subsection (b)(2).

''(2) If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.''.

(c) REVOCATION OF LICENSE FOR FAILURE TO PERMIT ACCESS.—Section 312(a)(7) of the Communications Act of 1934 (47 U.S.C. 312(a)(7)) is amended—

(1) by striking ''or repeated'';

(2) by inserting ''or cable system'' after ''broadcasting station''; and

(3) by striking ''his candidacy'' and inserting ''the candidacy of such person, under the same terms, conditions, and business practices as apply to its most favored advertiser''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to the general elections occurring after December 31, 1995 (and the election cycles relating thereto).

SEC. ___14. REDUCED POSTAGE RATES.

(a) IN GENERAL.—Section 3626(e) of title 39, United States Code, is amended—

(1) in paragraph (2)—

(A) in subparagraph (A)—

(i) by striking ''and the National'' and inserting ''the National''; and

(ii) by inserting before the semicolon the following: '', and, subject to paragraph (3), the principal campaign committee of an eligible Senate candidate;'';

(B) in subparagraph (B), by striking ''and'' after the semicolon;

(C) in subparagraph (C), by striking the period and inserting a semicolon; and

(D) by adding after subparagraph (C) the following new subparagraphs:

''(D) the term 'principal campaign committee' has the meaning given such term in section 301 of the Federal Election Campaign Act of 1971; and

''(E) the term 'eligible Senate candidate' has the meaning given such term in section 501(a) of the Federal Election Campaign Act of 1971.''; and

(2) by adding after paragraph (2) the following new paragraph:

''(3) The rate made available under this subsection with respect to an eligible Senate candidate shall apply only to that number of pieces of mail equal to 2 times the number of individuals in the voting age population (as certified under section 315(e) of such Act) of the State.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to the general elections occurring after December 31, 1996 (and the election cycles relating thereto).

SEC. ___15. CONTRIBUTION LIMIT FOR ELIGIBLE SENATE CANDIDATES.

Section 315(a)(1) of FECA (2 U.S.C. 441a(a)(1)) is amended—

(1) by inserting ''except as provided in subparagraph (B),'' before ''to'' in subparagraph (A);

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

(3) by inserting immediately after subparagraph (A) the following new subparagraph:

''(B) to any eligible Senate candidate and the authorized political committees of such candidate with respect to any election for the office of United States Senator (if any other Senate candidate chooses not to comply with the expenditure limits contained in this Act and has received contributions in excess of 10 percent of the general election limits contained in this Act or has expended personal funds in excess of 10 percent of the general election limits contained in this Act) which, in the aggregate, exceed $2,000;''.

Subtitle B—Reduction of Special Interest Influence

CHAPTER 1—ELIMINATION OF POLITICAL ACTION COMMITTEES FROM FEDERAL ELECTION ACTIVITIES

SEC. ___21. BAN ON ACTIVITIES OF POLITICAL ACTION COMMITTEES IN FEDERAL ELECTIONS.

(a) IN GENERAL.—Title III of FECA (2 U.S.C. 301 et seq.) is amended by adding at the end the following new section:

''BAN ON FEDERAL ELECTION ACTIVITIES BY POLITICAL ACTION COMMITTEES

''SEC. 324. Notwithstanding any other provision of this Act, no person other than an individual or a political committee may make contributions, solicit or receive contributions, or make expenditures for the purpose of influencing an election for Federal office.''.

(b) DEFINITION OF POLITICAL COMMITTEE.—(1) Section 301(4) of FECA (2 U.S.C. 431(4)) is amended to read as follows:

''(4) The term 'political committee' means—

''(A) the principal campaign committee of a candidate;

''(B) any national, State, or district committee of a political party, including any subordinate committee thereof;

''(C) any local committee of a political party that—

''(i) receives contributions aggregating in excess of $5,000 during a calendar year;

''(ii) makes payments exempted from the definition of contribution or expenditure under paragraph (8) or (9) aggregating in excess of $5,000 during a calendar year; or

''(iii) makes contributions or expenditures aggregating in excess of $1,000 during a calendar year; and

''(D) any committee jointly established by a principal campaign committee and any committee described in subparagraph (B) or (C) for the purpose of conducting joint fundraising activities.''.

(2) Section 316(b)(2) of FECA (2 U.S.C. 441b(b)(2)) is amended—

(A) by inserting ''or'' after ''subject;'';

(B) by striking ''and their families; and'' and inserting ''and their families.''; and

(C) by striking subparagraph (C).

(c) CANDIDATE'S COMMITTEES.—(1) Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

''(9) For the purposes of the limitations provided by paragraphs (1) and (2), any political committee that is established, financed, maintained, or controlled, directly or indirectly, by any candidate or Federal officeholder shall be deemed to be an authorized committee of such candidate or officeholder.''.

(2) Section 302(e)(3) of FECA (2 U.S.C. 432) is amended to read as follows:

''(3) No political committee that supports, or has supported, more than one candidate may be designated as an authorized committee, except that—

''(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

''(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee.''.

(d) RULES APPLICABLE WHEN BAN NOT IN EFFECT.—(1) For purposes of FECA, during any period beginning after the effective date in which the limitation under section 324 of that Act (as added by subsection (a)) is not in effect—

(A) the amendments made by subsections (a), (b), and (c) shall not be in effect;

(B) it shall be unlawful for a multicandidate political committee, intermediary, or conduit (as that term is defined in section 315(a)(8) of FECA, as amended by section ___51 of this title), to make a contribution to a candidate for election, or nomination for election, to Federal office (or an authorized committee) to the extent that the making or accepting of the contribution will cause the amount of contributions received by the candidate and the candidate's authorized committees from multicandidate political committees to exceed 20 percent of the aggregate Federal election spending limits applicable to the candidate for the election cycle; and

(C) it shall be unlawful for a political committee, intermediary, or conduit, as that term is defined in section 315(a)(8) of FECA (as amended by section ___51 of this title), to make a contribution to a candidate for election, or a nomination for an election, to Federal office (or an authorized committee of such candidate) in excess of the amount an individual is allowed to give directly to a candidate or a candidate's authorized committee.

(2) A candidate or authorized committee that receives a contribution from a multicandidate political committee in excess of the amount allowed under paragraph (1)(B) shall return the amount of such excess contribution to the contributor.

CHAPTER 2—PROVISIONS RELATING TO SOFT MONEY OF POLITICAL PARTIES

SEC. ___31. NATIONAL COMMITTEES.

A national committee of a political party, including the national congressional campaign committees of a political party, and any officers or agents of such party committees, shall not solicit or receive any contributions, donations, or transfers of funds, or spend any funds, not subject to the limitations, prohibitions, and reporting requirements of this title. This provision shall apply to any entity that is established, financed, maintained or controlled by a national committee of a political party, including the national congressional campaign committees of a political party, and any officer or agents of such party committees, other than an entity that is regulated by section ___32 of this Act.

SEC. ___32. STATE, DISTRICT, AND LOCAL COMMITTEES.

(a) Any amount expended or disbursed by a State, district, or local committee of a political party, during a calendar year in which a Federal election is held, for any activity which might affect the outcome of a Federal election, including but not limited to any voter registration and get-out-the-vote activity, any generic campaign activity, and any communication that identifies a Federal candidate (regardless of whether a State or local candidate is also mentioned or identified) shall be made from funds subject to the limitations, prohibitions and reporting requirements of this title.

(b) Paragraph (a) shall not apply to expenditures or disbursements made by a State, district or local committee of a political party for—

(1) a contribution to a candidate other than for Federal office, provided that such contribution is not designated or otherwise earmarked to pay for activities described in subparagraph (a) above;

(2) the costs of a State or district/local political convention;

(3) the non-Federal share of a State, district or local party committee's administrative and overhead expenses (but not including the compensation in any month of any individual who spends more than 20 percent of his or her time on activity during such month which may affect the outcome of a Federal election). For purposes of this provision, the non-federal share of a party committee's administrative and overhead expenses shall be determined by applying the ratio of the non-Federal disbursements to the total Federal expenditures and non-Federal disbursements made by the committee during the previous presidential election year to the committee's administrative and overhead expenses in the election year in question;

(4) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, which material solely name or depict a State or local candidate; and

(5) the cost of any campaign activity conducted solely on behalf of a clearly identified State or local candidate, provided that such activity is not covered by subparagraph (a) above.

(c) Any amount spent by a national, State, district or local committee or entity of a political party to raise funds that are used, in whole or in part, to pay the costs of any activity covered by paragraph 2(a) above shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this title.

This provision shall apply to any entity that is established, financed, maintained, or controlled by a State, district or local committee of a political party or any agent or officer of such party committee in the same manner as it applies to that committee.

SEC. ___33. TAX-EXEMPT ORGANIZATIONS.

No national, State, district or local committee of a political party shall solicit any funds for or make any donations to any organization that is exempt from Federal taxation under 26 U.S.C. 501(c).

SEC. ___34. CANDIDATES.

No candidate for Federal office, individual holding Federal office, or any agent of such candidate or officeholder, may solicit or receive any funds in connection with any Federal election unless such funds are subject to the limitations, prohibitions and reporting requirements of this title. This provision shall not apply to the solicitation or receipt of funds by an individual who is a candidate for a non-Federal office if such activity is permitted under State law for such individual's non-Federal campaign committee.

SEC. ___35. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of FECA (2 U.S.C. 434) is amended by adding at the end the following new subsection:

''(d) POLITICAL COMMITTEES.—(1) The national committee of a political party, any congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

''(2) A political committee (not described in paragraph (1)) to which section 325 applies shall report all receipts and disbursements including separate schedules for receipts and disbursements for any State Party Grassroots Fund described in section 301(21).

''(3) Any political committee to which section 325 applies shall include in its report under paragraph (1) or (2) the amount of any transfer described in section 325(d)(2) and shall itemize such amounts to the extent required by subsection (b)(3)(A).

''(4) Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements that are used in connection with a Federal election.

''(5) If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in subsection (b) (3)(A), (5), or (6).

''(6) Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).''.

(b) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of FECA (2 U.S.C. 431(8)) is amended by inserting at the end the following:

''(C) The exclusion provided in subparagraph (B)(viii) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions aggregating in excess of $200 shall be reported.''.

(c) REPORTS BY STATE COMMITTEES.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (a), is amended by adding at the end the following new subsection:

''(e) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.''.

(d) OTHER REPORTING REQUIREMENTS.—

(1) AUTHORIZED COMMITTEES.—Section 304(b)(4) of FECA (2 U.S.C. 434(b)(4)) is amended—

(A) by striking ''and'' at the end of subparagraph (H);

(B) by inserting ''and'' at the end of subparagraph (I); and

(C) by adding at the end the following new subparagraph:

''(J) in the case of an authorized committee, disbursements for the primary election, the general election, and any other election in which the candidate participates;''.

(2) NAMES AND ADDRESSES.—Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended—

(A) by striking ''within the calendar year''; and

(B) by inserting '', and the election to which the operating expenditure relates'' after ''operating expenditure''.

CHAPTER 3—SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES

SEC. ___41. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

Section 304 of FECA (2 U.S.C. 434), as amended by section ___35(c), is amended by adding at the end the following new subsection:

''(f) ELECTION ACTIVITY OF PERSONS OTHER THAN POLITICAL PARTIES.—(1)(A)(i) If any person to which section 325 does not apply makes (or obligates to make) disbursements for activities described in section 325(b) in excess of $2,000, such person shall file a statement—

''(I) on or before the date that is 48 hours before the disbursements (or obligations) are made; or

''(II) in the case of disbursements (or obligations) that are required to be made within 14 days of the election, on or before such 14th day.

''(ii) An additional statement shall be filed each time additional disbursements aggregating $2,000 are made (or obligated to be made) by a person described in clause (i).

''(B) This paragraph shall not apply to—

''(i) a candidate or a candidate's authorized committees; or

''(ii) an independent expenditure (as defined in section 301(17)).

''(2) Any statement under this section shall be filed with the Secretary of the Senate or the Clerk of the House of Representatives, and the Secretary of State (or equivalent official) of the State involved, as appropriate, and shall contain such information as the Commission shall prescribe, including whether the disbursement is in support of, or in opposition to, 1 or more candidates or any political party. The Secretary of the Senate or Clerk of the House of Representatives shall, as soon as possible (but not later than 24 hours after receipt), transmit a statement to the Commission. Not later than 48 hours after receipt, the Commission shall transmit the statement to—

''(A) the candidates or political parties involved; or

''(B) if the disbursement is not in support of, or in opposition to, a candidate or political party, the State committees of each political party in the State involved.

''(3) The Commission may make its own determination that disbursements described in paragraph (1) have been made or are obligated to be made. The Commission shall notify the candidates or political parties described in paragraph (2) not later than 24 hours after its determination.''.

CHAPTER 4—CONTRIBUTIONS

SEC. ___51. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS.

Section 315(a)(8) of FECA (2 U.S.C. 441a(a)(8)) is amended to read as follows:

''(8) For the purposes of this subsection:

''(A) Contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to a candidate, shall be treated as contributions from the person to the candidate. If a contribution is made to a candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of the contribution to the Commission and the intended recipient.

''(B) Contributions made directly or indirectly by a person to or on behalf of a particular candidate through an intermediary or conduit, including contributions arranged to be made by an intermediary or conduit, shall be treated as contributions from the intermediary or conduit to the candidate if—

''(i) the contributions made through the intermediary or conduit are in the form of a

check or other negotiable instrument made payable to the intermediary or conduit rather than the intended recipient; or

''(ii) the intermediary or conduit is—

''(I) a political committee, a political party, or an officer, employee, or agent of either;

''(II) a person whose activities are required to be reported under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267), the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.), or any successor Federal law requiring a person who is a lobbyist or foreign agent to report the activities of such person;

''(III) a person who is prohibited from making contributions under section 316 or a partnership; or

''(IV) an officer, employee, or agent of a person described in subclause (II) or (III) acting on behalf of such person.

''(C) The term 'contributions arranged to be made' includes—

''(i)(I) contributions delivered directly or indirectly to a particular candidate or the candidate's authorized committee or agent by the person who facilitated the contribution; and

''(II) contributions made directly or indirectly to a particular candidate or the candidate's authorized committee or agent that are provided at a fundraising event sponsored by an intermediary or conduit described in subparagraph (B);

(D) This paragraph shall not prohibit—

''(i) fundraising efforts for the benefit of a candidate that are conducted by another candidate or Federal officeholder; or

''(ii) the solicitation by an individual using the individual's resources and acting in the individual's own name of contributions from other persons in a manner not described in paragraphs (B) and (C).''.

CHAPTER 5—ADDITIONAL PROHIBITIONS ON CONTRIBUTIONS

SEC. ___61. ALLOWABLE CONTRIBUTIONS FOR COMPLYING CANDIDATES.

For the purposes of this Federal Election Campaign Act of 1971, in order for a candidate to be considered to be in compliance with the spending limits contained in such Act, not less than 60 percent of the total dollar amount of all contributions from individuals to a candidate or a candidate's authorized committee, not including any expenditures, contributions or loans made by the candidate, shall come from individuals legally residing in the candidate's State.

CHAPTER 6—INDEPENDENT EXPENDITURES

SEC. ___71. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

(a) INDEPENDENT EXPENDITURE DEFINITION AMENDMENT.—Section 301 of FECA (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

''(17)(A) The term 'independent expenditure' means an expenditure that—

''(i) contains express advocacy; and

''(ii) is made without the participation or cooperation of, or without the consultation of, a candidate or a candidate's representative.

''(B) The following shall not be considered an independent expenditure:

''(i) An expenditure made by—

''(I) an authorized committee of a candidate for Federal office, or

''(II) a political committee of a political party.

''(ii) An expenditure if there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure.

''(iii) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

''(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

''(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.

''(iv) An expenditure if the person making the expenditure has advised or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office.

''(v) An expenditure if the person making the expenditure retains the professional services of any individual or other person also providing services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office. For purposes of this clause, the term 'professional services' shall include any services (other than legal and accounting services solely for purposes of ensuring compliance with any Federal law) in support of any candidate's or candidates' pursuit of nomination for election, or election, to Federal office.

For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person.

''(18)(A) The term 'express advocacy' means when a communication is taken as a whole and with limited reference to external events, an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party.

''(B) The term 'expression of support for or opposition to' includes a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity, or to refrain from taking action.''.

(b) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking ''or'' after the semicolon at the end;

(2) in clause (ii), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following new clause:

''(iii) any payment or other transaction referred to in paragraph (17)(A)(i) that is not an independent expenditure under paragraph (17).''.

Subtitle C—Miscellaneous Provisions

SEC. ___81. RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR PERSONAL PURPOSES.

(a) RESTRICTIONS ON USE OF CAMPAIGN FUNDS.—Title III of FECA (2 U.S.C. 431 et seq.), as amended by section ___21, is amended by adding at the end the following new section:

''RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR PERSONAL PURPOSES

''SEC. 326. (a) An individual who receives contributions as a candidate for Federal office—

''(1) shall use such contributions only for legitimate and verifiable campaign expenses; and

''(2) shall not use such contributions for any inherently personal purpose.

''(b) As used in this subsection—

''(1) the term 'campaign expenses' means expenses attributable solely to bona fide campaign purposes; and

''(2) the term 'inherently personal purpose' means a purpose that, by its nature, confers a personal benefit, including a home mortgage rent or utility payment, clothing purchase, noncampaign automobile expense, country club membership, vacation, or trip of a noncampaign nature, household food items, tuition payment, admission to a sporting event, concert, theatre or other form of entertainment not associated with a campaign, dues, fees, or contributions to a health club or recreational facility and any other inherently personal living expense as determined under the regulations promulgated pursuant to section 302(b) of the Senate Campaign Finance Reform Act of 1996.''.

(b) REGULATIONS.—Not later than 90 days after the date of enactment of this title, the Federal Election Commission shall promulgate regulations consistent with this title to implement subsection (a). Such regulations shall apply to all contributions possessed by an individual on the date of enactment of this title.

SEC. ___82. CAMPAIGN ADVERTISING AMENDMENTS.

Section 318 of FECA (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''Whenever'' and inserting ''Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever'';

(ii) by striking ''an expenditure'' and inserting ''a disbursement''; and

(iii) by striking ''direct''; and

(B) in paragraph (3), by inserting ''and permanent street address'' after ''name''; and

(2) by adding at the end the following new subsections:

''(c) Any printed communication described in subsection (a) shall be—

''(1) of sufficient type size to be clearly readable by the recipient of the communication;

''(2) contained in a printed box set apart from the other contents of the communication; and

''(3) consist of a reasonable degree of color contrast between the background and the printed statement.

''(d)(1) Any broadcast or cablecast communication described in subsection (a)(1) or subsection (a)(2) shall include, in addition to the requirements of those subsections, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

''(2) If a broadcast or cablecast communication described in paragraph (1) is broadcast or cablecast by means of television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement which—

''(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

''(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

''(e) Any broadcast or cablecast communication described in subsection (a)(3) shall include, in addition to the requirements of those subsections, in a clearly spoken manner, the following statement: '_____ is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If broadcast or cablecast by means of television, the

statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.''.

SEC. ___83. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 302(g) of FECA (2 U.S.C. 432(g)) is amended by adding at the end the following new paragraph:

''(6)(A) The Commission, in consultation with the Secretary of the Senate and the Clerk of the House of Representatives, may prescribe regulations under which persons required to file designations, statements, and reports under this Act—

''(i) are required to maintain and file them for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

''(ii) may maintain and file them in that manner if not required to do so under regulations prescribed under clause (i).

''(B) The Commission, in consultation with the Secretary of the Senate and the Clerk of the House of Representatives, shall prescribe regulations which allow persons to file designations, statements, and reports required by this Act through the use of facsimile machines.

''(C) In prescribing regulations under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulations. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.

''(D) The Secretary of the Senate and the Clerk of the House of Representatives shall ensure that any computer or other system that they may develop and maintain to receive designations, statements, and reports in the forms required or permitted under this paragraph is compatible with any such system that the Commission may develop and maintain.''.

SEC. ___84. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of FECA (2 U.S.C. 438(b)) is amended—

(1) by inserting ''(1)'' before ''The Commission''; and

(2) by adding at the end the following new paragraph:

''(2) Notwithstanding paragraph (1), the Commission may after all elections are completed conduct random audits and investigations to ensure voluntary compliance with this Act. The subjects of such audits and investigations shall be selected on the basis of criteria established by vote of at least 4 members of the Commission to ensure impartiality in the selection process. This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under title VI or to an authorized committee of an eligible Senate candidate or an eligible House candidate subject to audit under section 522(a).''.

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of FECA (2 U.S.C. 438(b)) is amended by striking ''6 months'' and inserting ''12 months''.

SEC. ___85. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

Section 3210(a)(6)(A) of title 39, United States Code, is amended to read as follows:

''(A) A Member of Congress shall not mail any mass mailing as franked mail during a year in which there will be an election for the seat held by the Member during the period between January 1 of that year and the date of the general election for that Office, unless the Member has made a public announcement that the Member will not be a candidate for reelection to that year or for election to any other Federal office.''.

SEC. ___86. AUTHORITY TO SEEK INJUNCTION.

Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following new paragraph:

''(13)(A) If, at any time in a proceeding described in paragraph (1), (2), (3), or (4), the Commission believes that—

''(i) there is a substantial likelihood that a violation of this Act is occurring or is about to occur;

''(ii) the failure to act expeditiously will result in irreparable harm to a party affected by the potential violation;

''(iii) expeditious action will not cause undue harm or prejudice to the interests of others; and

''(iv) the public interest would be best served by the issuance of an injunction,

the Commission may initiate a civil action for a temporary restraining order or a temporary injunction pending the outcome of the proceedings described in paragraphs (1), (2), (3), and (4).

''(B) An action under subparagraph (A) shall be brought in the United States district court for the district in which the defendant resides, transacts business, or may be found, or in which the violation is occurring, has occurred, or is about to occur.'';

(2) in paragraph (7), by striking ''(5) or (6)'' and inserting ''(5), (6), or (13)''; and

(3) in paragraph (11), by striking ''(6)'' and inserting ''(6) or (13)''.

SEC. ___87. SEVERABILITY.

If any provision of this title, an amendment made by this title, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this title, the amendments made by this title, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

SEC. ___88. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this title or amendment made by this title.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

SEC. ___89. REPORTING REQUIREMENTS.

(a) CONTRIBUTORS.—Section 302(c)(3) of FECA (2 U.S.C. 432(c)(3)) is amended by striking ''$200'' and inserting ''$50''.

(b) DISBURSEMENTS.—Section 302(c)(5) of FECA (2 U.S.C. 432(c)(5)) is amended by striking ''$200'' and inserting ''$50''.

SEC. ___90. EFFECTIVE DATE.

Except as otherwise provided in this title, the amendments made by, and the provisions of, this title shall take effect on January 1, 1997.

SEC. ___91. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this title not later than 9 months after the effective date of this title.

TERRITORIES AND FREELY ASSOCIATED STATES LEGISLATION

MURKOWSKI AMENDMENT NO. 4039

(Ordered referred to the Committee on Energy and Natural Resources.)

Mr. MURKOWSKI submitted an amendment intended to be proposed by him to the bill (S. 1804) to make technical and other changes to the laws dealing with the Territories and Freely Associated States of the United States; as follows:

At the end of the bill add the following new section:

''SEC. 9. BIKINI AND ENEWETAK MEDICAL CARE.

In fulfillment of the terms of Public Law 96–205 and section 103(h)(1) of Public Law 99–239, the Secretary of Energy shall include the populations of Bikini and Enewetak within its existing special medical care program in the Marshall Islands at the request of the local government and on a reimbursable basis.

THE CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

BYRD (AND OTHERS) AMENDMENT NO. 4040

Mr. BYRD (for himself, Mr. BINGAMAN, and Mr. LAUTENBERG) proposed an amendment to Senate Concurrent Resolution 57, supra; as follows:

On page 3, line 5, increase the amount by $201,000,000.

On page 3, line 6, increase the amount by $408,000,000.

On page 3, line 7, increase the amount by $649,000,000.

On page 3, line 8, increase the amount by $946,000,000.

On page 3, line 9, increase the amount by $1,068,000,000.

On page 3, line 10, increase the amount by $1,142,000,000.

On page 3, line 14, increase the amount by $201,000,000.

On page 3, line 15, increase the amount by $408,000,000.

On page 3, line 16, increase the amount by $649,000,000.

On page 3, line 17, increase the amount by $946,000,000.

On page 3, line 18, increase the amount by $1,068,000,000.

On page 3, line 19, increase the amount by $1,142,000,000.

On page 4, line 8, increase the amount by $1,011,000,000.

On page 4, line 9, increase the amount by $1,049,000,000.

On page 4, line 10, increase the amount by $1,089,000,000.

On page 4, line 11, increase the amount by $1,131,000,000.

On page 4, line 12, increase the amount by $1,068,000,000.

On page 4, line 13, increase the amount by $1,110,000,000.

On page 4, line 17, increase the amount by $201,000,000.

On page 4, line 18, increase the amount by $408,000,000.

On page 4, line 19, increase the amount by $649,000,000.

On page 4, line 20, increase the amount by $946,000,000.

On page 4, line 21, increase the amount by $1,068,000,000.

On page 4, line 22, increase the amount by $1,142,000,000.
On page 15, line 16, increase the amount by $190,000,000.
On page 15, line 17, increase the amount by $118,000,000.
On page 15, line 24, increase the amount by $224,000,000.
On page 15, line 25, increase the amount by $160,000,000.
On page 16, line 7, increase the amount by $258,000,000.
On page 16, line 8, increase the amount by $222,000,000.
On page 16, line 15, increase the amount by $293,000,000.
On page 16, line 16, increase the amount by $276,000,000.
On page 16, line 23, increase the amount by $228,000,000.
On page 16, line 24, increase the amount by $312,000,000.
On page 17, line 7, increase the amount by $265,000,000.
On page 17, line 8, increase the amount by $304,000,000.
On page 23, line 15, increase the amount by $821,000,000.
On page 23, line 16, increase the amount by $83,000,000.
On page 23, line 23, increase the amount by $825,000,000.
On page 23, line 24, increase the amount by $248,000,000.
On page 24, line 7, increase the amount by $831,000,000.
On page 24, line 8, increase the amount by $427,000,000.
On page 24, line 15, increase the amount by $838,000,000.
On page 24, line 16, increase the amount by $670,000,000.
On page 24, line 23, increase the amount by $840,000,000.
On page 24, line 24, increase the amount by $756,000,000.
On page 25, line 7, increase the amount by $845,000,000.
On page 25, line 8, increase the amount by $838,000,000.
On page 52, line 14, increase the amount by $1,011,000,000.
On page 52, line 15, increase the amount by $201,000,000.
On page 52, line 21, increase the amount by $1,049,000,000.
On page 52, line 22, increase the amount by $408,000,000.
On page 52, line 24, increase the amount by $1,089,000,000.
On page 52, line 25, increase the amount by $649,000,000.
On page 53, line 2, increase the amount by $1,131,000,000.
On page 53, line 3, increase the amount by $946,000,000.
On page 53, line 5, increase the amount by $1,068,000,000.
On page 53, line 6, increase the amount by $1,068,000,000.
On page 53, line 8, increase the amount by $1,110,000,000.
On page 53, line 9, increase the amount by $1,142,000,000.

MURKOWSKI (AND OTHERS) AMENDMENT NO. 4041

Mr. MURKOWSKI (for himself, Mr. WARNER, Mr. MCCAIN, Mr. CHAFEE, and Mr. SMITH) proposed an amendment to amendment No. 4022 proposed by Mr. MCCAIN, supra; as follows:

Strike all after the word ''SEC.'' and insert: The Congress finds that—

(1) The Founding Fathers were committed to the principle of civilian control of the military;

(2) Every President since George Washington has affirmed the principle of civilian control of the military;

(3) Twenty-six President of the United States served in the United States Armed Forces prior to their inauguration and none of them claimed the Presidency represented a continuation of their military service;

(4) No President of the United States prior to May 15, 1996, has ever sought relief from legal action on the basis of serving as Commander-in-Chief of the United States Armed Forces;

(5) President Clinton is the subject of a sexual harassment lawsuit filed on May 6, 1994, in Federal District Court in Little Rock, Arkansas involving allegations about his conduct in May, 1991;

(6) On May 15, 1996, a legal brief filed on behalf of the President of the United States in the Supreme Court asserted the President of the United States may be entitled to the protections afforded members of the United States Armed Forces under the Soldiers' and Sailors' Relief Act of 1940 (50 U.S.C. 501 et. al); and

(7) The purpose of the Soldiers' and Sailors' Civil Relief Act of 1940 is to enable members of the military services ''to devote their entire energy to the defense needs of the nation''.

It is the sense of the Senate that the assumptions underlying this resolution include that the President of the United States should state unequivocally that he is not entitled to and will not seek relief from legal action under the Soliders' and Sailors' Civil Relief Act of 1940, and that he will direct removal from his legal brief any reference to the protections of the Act.

NOTICE OF HEARING

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. MCCAIN. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will conduct a hearing during the session of the Senate on Wednesday, June 26, 1996, at 9:30 a.m. on amendments to the Indian Child Welfare Act [ICWA]. The hearing will be held in room 485 of the Russell Senate Office Building.

Those wishing additional information should contact the Committee on Indian Affairs at 224–2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources to receive testimony regarding S. 1804, a bill to make technical and other changes to the laws dealing with the Territories and Freely Associated States of the United States, that I have introduced today. The hearing will also consider an amendment that I have also introduced that deals with medical care for Bikini and Enewetak Atolls in the Republic of the Marshall Islands. In addition to the legislative matters, the committee will also conduct an oversight into the law enforcement initiative in the Commonwealth of the Northern Mariana Islands. While the report from the Secretary of the Interior is overdue, I expect that it will be submitted in sufficient time for review and comment by the Northern Marianas prior to the hearing.

The hearing will be held on Tuesday, June 25, 1996, it will begin at 9:30 a.m., and will take place in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

For further information, please call James P. Beirne, senior counsel to the committee at (202) 224–2564 or Betty Nevitt at (202) 224–0765.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, May 23, 1996, to conduct a hearing on S. 1317, the Public Utility Holding Company Act of 1995.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. GRASSLEY. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Thursday, May 23 at 10 a.m. for a hearing on IRS oversight.

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

COMMITTEE ON THE JUDICIARY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, May 23, 1996, at 10 a.m. to hold an executive business meeting.

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. GRASSLEY. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a hearing on pending legislation at 10 a.m., on Thursday, May 23, 1996. The hearing will be held in room 418 of the Russell Senate Office Building.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, May 23, 1996, at 9:30 a.m. to hold an open hearing on intelligence matters.

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

SPECIAL COMMITTEE ON AGING

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet during the session of the Senate on Thursday, May 23, at 9:30 a.m. to hold a hearing to discuss encouraging return to work in the SSI and DI Programs.

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

SUBCOMMITTEE ON CHILDREN AND FAMILIES

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Children and Families of

the Committee on Labor and Human Resources be authorized to meet during the session of the Senate at 9:30 a.m., Thursday, May 23, 1996, for a hearing on encouraging responsible fatherhood.

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

ADDITIONAL STATEMENTS

REFORM OF U.S. INTELLIGENCE AGENCIES

● Mr. LEAHY. Mr. President, I would like to briefly discuss the need for reform of our intelligence agencies. This is a subject that has occupied the Senate Select Committee on Intelligence at least since I was vice chairman during the mid-1980's, and I am encouraged that the Congress and the administration are making progress on this. I applaud the work of Chairman SPECTER and Vice Chairman KERREY for their efforts in this area.

I do not think there is any longer a serious question that our intelligence agencies need reform. The issue is what kind of reform, and how much.

For over 40 years, the CIA, the DIA, the State Department's Intelligence and Research Bureau, and every other agency or department that has ever had any pretensions of playing a role in national security or foreign policy, geared their intelligence activities to the necessities of the cold war. The entire structure, which was poorly coordinated, duplicative, inefficient, and often ineffective, was set up to respond to the Soviet threat.

Billions of dollars were spent on activities which today have little relevance to our intelligence needs or budgetary realities and more importantly, failed to even predict the greatest event since World War II—the disintegration of the former Soviet Union.

Appalling lapses have only recently come to light, the Aldrich Ames case being the most notorious example. The CIA's payment of thousands of dollars to a Guatemalan colonel who it had reason to believe had been involved in the murder of an American citizen, is another. Unfortunately, there are others.

But beyond these widely publicized lapses in judgment and intelligence analysis, a culture developed within the intelligence community that at times resulted in intelligence officials withholding crucial information from other officials in the administration and Congress who were formulating and implementing policy. There are examples of station chiefs failing to disclose information to our ambassadors about a matter of grave importance. In Guatemala, the CIA station chief reportedly failed to inform our Ambassador of information relating to the murder of an American citizen by Guatemalan soldiers. The Ambassador, left in the dark, told the victim's family that the Embassy had no information about this crime.

I did not rise today simply to point out the failures of the intelligence community. Our intelligence agencies are comprised of hard working, dedicated people who often provide critical and accurate information to the Congress and the executive branch. However, since the end of the cold war our intelligence needs have changed dramatically while our intelligence agencies have not.

The U.S. intelligence community must reinvent itself to address more effectively the growing threats to our national security, including regional conflicts, the proliferation of weapons of mass destruction, international organized crime, narcotics trafficking, and terrorism. In order to do so effectively, the intelligence community must reduce duplication between agencies, increase efficiency, create a greater accountability for the Director of Central Intelligence, and increase the role of oversight to ensure that the reforms are cost effective.

In response to the changing role of U.S. intelligence, in 1994, former Senator Dennis DeConcini and the senior Senator from Virginia, Senator JOHN WARNER, proposed the creation of a bipartisan commission made up of Members of Congress, the administration, and the private sector to review the current condition of the intelligence community and propose ideas for how best to make lasting reforms. The Intelligence Authorization Act for Fiscal Year 1995 created the Commission on the Roles and Capabilities of the U.S. Intelligence Community chaired by former Secretary of Defense Les Aspin. Unfortunately, Les passed away several months after his appointment, but his enthusiasm and hard work were not lost on the Commission's members or its staff.

The Commission's goal was to review the role of the U.S. intelligence community in the post-cold war world. After almost a year's work, the Commission issued its findings and recommendations on March 1, 1996.

The Commission recommended that U.S. intelligence agencies should integrate intelligence into the policy community, expand cooperation between agencies and the Congress and create greater efficiency in order to meet the intelligence requirements of the 21st century. I strongly support these goals.

But the Commission did not go far enough. I am convinced that substantive reforms will not take root unless the Director of Central Intelligence is given more authority and control over the entire intelligence budget.

I have no doubt that Director Deutch is one of the CIA's finest Directors. However, he does not have sufficient resources at his disposal to fully reform the many different intelligence agencies throughout the Federal Government.

Although Director Deutch is responsible for approving the annual budget for our national intelligence agencies, over 95 percent of the intelligence budget is funded through the Department of Defense and 85 percent of the intelligence budget is utilized by agencies not under his control. This must change.

I am encouraged that the Senate Intelligence Committee recently took a step toward providing the DCI with greater control over the intelligence budget. On April 24, the committee supported the Clinton administration's proposal to declassify the amount spent on the intelligence budget. More importantly, the committee supported proposals to give the DCI a role in appointing the heads of all the intelligence agencies and greater control over the entire intelligence budget, including those intelligence agencies within the Pentagon. I applaud the committee's actions and while I hope the Senate will debate this further, I urge the members of the Senate Armed Services Committee to support the Intelligence Committee's goals.

In addition to providing the DCI with more control over the intelligence budget, I believe that the cloak of secrecy should be removed from the intelligence community to as great an extent as possible. As a government that prides itself on its openness, the United States should not restrict access to information that does not jeopardize national security.

Mr. President, I have the greatest respect for the senior Senator from New York, Senator MOYNIHAN, the former vice chair of the Intelligence Committee. Senator MOYNIHAN's knowledge of history and his experience both before and during his service in the U.S. Senate give him tremendous insight into how the intelligence community should be reformed.

I agree with Senator MOYNIHAN's concern about secrecy in the intelligence community. The extraordinary and excessive efforts to classify harmless information wastes money, discourages informed debate, and leads to inaccurate information treated as fact by the people who are responsible for crafting U.S. foreign policy. In reality, much of what is deemed to be secret can be found by picking up the morning paper or watching CNN.

I hope that the Congress and the executive branch will work together to reform the U.S. intelligence community. The report on the Commission on the Roles and Capabilities of the United States Intelligence Community is a good place to start, but its proposals should not be the only reforms discussed. We must continue to work to ensure that the intelligence community becomes cost effective and addresses the intelligence needs of the 21st century.●

TRIBUTE TO THE TOWN OF ALTON'S BICENTENNIAL CELEBRATION AND 200 YEARS OF HISTORY

● Mr. SMITH. Mr. President, I rise today to congratulate Alton, NH, on

the occasion of their community bicentennial celebration. Almost 200 years ago on June 16, 1796, the town of Alton was incorporated by the New Hampshire House and Senate and approved by then-Governor Gilman. To honor 200 years of history, the citizens of Alton have designated 1996 as a year of bicentennial celebrations with a variety of special town activities. Alton's big Bicentennial Day celebration is planned for June 16 and the bicentennial parade will take place August 17.

The history of Alton began around 1770 when the first pioneers arrived in the area. Early settlers worked diligently to construct roads and bridges, schools and churches. The area now known as Alton these settlers first moved to was truly majestic—the southern tip of Lake Winnipesaukee along the shores of the Merrymeeting River, and nestled by the mountains. Today, Alton still sits in a very picturesque area of the lakes region of New Hampshire—not too far from my hometown of Tuftonboro.

Alton's first town hall meeting was held at the home of Capt. Benjamin Bennett. Town officers were elected on that day, March 13, 1797, and other pertinent town matters were discussed. For hundreds of years now, Alton has continued the town meeting tradition. As Alton's bicentennial proclamation states on behalf of Alton's residents, ''the principles of democracy and self-governance have prevailed on issues such as spending appropriations, building of meeting houses, support of education, construction of highways and bridges, collection of taxes, election of political representatives, and enforcement of laws.''

A number of significant events occurred for Alton in the 1800's. In 1849, the railroad arrived in the town and the trains continued to stop in the Alton Bay area until 1935. Then, in 1872, the steamer, *Mount Washington*, was first launched in Alton Bay after being constructed there. From 1880 to 1920, the Rockwell Clough Co. employed a number of residents and became nationally known as the first manufacturer of cork screws and the company that invented paper clips.

Recently, the people of Alton suffered through a devastating flood that destroyed many homes. I had the opportunity to visit the area after the flood and witnessed how quickly this community had joined together to rebuild. Rescue teams and volunteers, along with families and friends, worked together day and night to help their neighbors who were victims of the flood. I was very impressed with the strength and fortitude this community displayed.

The public officials and residents of Alton have planned some festive activities to recognize the 200 years of history their town has enjoyed. A number of exhibits will be on display in the townhall featuring clay pipes, summer camps, railroads, and the Alton Central School. The Alton Historical Society will provide a walking tour of the city and conduct various other historical programs. A haunted hay ride and haunted house are also planned later in the year for Halloween. June 16 will mark the big anniversary celebration with day-long activities including a family picnic, fireworks, and a bicentennial march to Alton Central School.

My wife taught school in Alton, so this scenic lakeside town holds a special place in the hearts of the Smith family. I congratulate all the residents of Alton on this historic milestone and wish them all an enjoyable year of celebration and remembrance. You all should be very proud of your heritage and 200 years of history.●

MARK HIMEBAUGH

● Mr. LAUTENBERG. Mr. President, I rise today to observe Mark Himebaugh's 16th birthday.

For those who do not know Mark, he is one of America's many missing children. In November 1991, when he was 11 years old, Mark left his home in Cape May County, NJ, to play. He was never seen again. His parents have not seen him in 4½ years. Despite the efforts of his parents, law enforcement, and an outstanding group of volunteers, his parents say they are no closer to recovering Mark than in November 1991.

Mr. President, it is difficult to imagine the heartache and suffering of a parent who has a missing child. With each passing day, there is continuing concern, continuing fear, and continuing prayers for a safe return.

Unfortunately, each year, thousands of people across the country disappear. Most of these are children. Despite the increased awareness and the additional tools law enforcement has acquired, the problem continues to be serious.

Our children are our most precious resource. They are our future. I hope with all my heart that the Himebaugh family is reunited with their son in the near future. And I ask my colleagues to join me in wishing them strength to continue their search for Mark.●

PREVENT TELEPHONE FRAUD

● Mr. SIMON. Mr. President, I would like to briefly highlight the work of several telecommunications companies and organizations, which together have created the Alliance To Outfox Phone Fraud. This cooperative alliance, which includes the Illinois Consolidated Telephone Co., is working to educate and enlist the assistance of consumers in preventing telephone fraud, a rapidly growing crime which costs consumers nearly $3.7 billion every year.

As telecommunications technology continues to improve, the potential for fraudulent activity also rises. As hackers have become sophisticated enough to keep pace with new technology, telephone fraud has grown because consumers are often unaware of the new dangers. Telecommunications fraud takes many forms—''shoulder surfers watch or listen as customers enter their calling card numbers on pay phones; criminals posing as police officers or telephone company representatives try to bill calls to homes; and high-technology cellular thieves use cloning devices to steal cellular phone serial numbers.

Summer travelers are particularly susceptible to telephone fraud. As we approach the hectic summer travel season, I urge consumers to take precautions to ensure that they do not become victims of this increasing crime. Certainly, the efforts of the Alliance To Outfox Phone Fraud to increase consumer awareness are a step in the right direction.●

JOSEPH GARDNER: A LIFE DEDICATED TO MAKING LIFE BETTER FOR PEOPLE AND EXPANDING THEIR OPPORTUNITIES

● Ms. MOSELEY-BRAUN. Mr. President, last week, the city of Chicago, the State of Illinois, and the United States of America suffered a grievous loss because of the death of Joseph E. Gardner. Joe Gardner's life was devoted to helping people, to helping communities, to bringing people into our economy, to bringing economic growth and hope to communities without much of either, and to expanding opportunities for everyone.

I first met Joe when he was working at the Woodlawn Organization, more years ago than I care to remember. And our paths have crossed frequently ever since then. Joe worked on a wide variety of issues, but all of them were fundamentally about helping people, and especially poor people, make their lives better. I always admired his commitment to people and to neighborhoods, and the energy, the enthusiasm, and the savvy he brought to his work.

Chicago is a city of neighborhoods, and Joseph Gardner was a product of Chicago neighborhoods. He was raised in the Lawndale neighborhood on Chicago's West Side, and he graduated from Mount Carmel High School in Woodlawn. He earned his undergraduate degree at Loyola, an institution in Chicago, and went back to the West Side for a masters degree from the University of Illinois at Chicago.

With his education and his obvious gifts, he could have done almost anything. But for Joseph Gardner, education was not a means to get away from his community and his neighbors. Rather it was a way to open doors for poor neighborhoods and poor people who faced closed doors, and who had the doors to opportunity slammed in their faces for far too long.

Joseph Gardner chose to give back to his city, and to his community. He chose to devote his life to making it possible for disadvantaged young people to match and exceed what he had accomplished. He fought for jobs, for decent housing, for education, for safe neighborhoods, for families, and for children. Throughout his career at the

Woodlawn Organization, at Operation Push, where he was executive vice-president, and in government, the fight was always the same—to open up opportunities for people, to expand the possibilities for people, to build hope, and self-respect, and economic security.

Joe Gardner made Chicago a better place. He died far too soon; there was still so much he wanted to do. I will greatly miss him, and I know the people of Chicago and the state of Illinois will miss him, particularly the poor people he cared so much about.●

TRIBUTE TO HIS MAJESTY KING BHUMIBOL ADULYADEJ OF THAILAND

● Mr. JOHNSTON. Mr. President, I rise today to pay tribute to His Majesty King Bhumibol Adulyadej of Thailand, who will celebrate the 50th anniversary of his accession to the throne on June 9, 1996. This is indeed an auspicious occasion, as King Bhumibol is the first Thai king to have reigned for 50 years.

King Bhumibol has been the overseer and benefactor of remarkable change and progress for his nation. From the beginning of his reign, he has tirelessly devoted his time and effort to the well-being and welfare of the Thai people. Under his stewardship, government has become an instrument of progress for people, as evident by the more than 1,800 royal development projects he has initiated in the areas of agriculture, environmental conservation, public health, occupational promotion, water resources development, communications, and social welfare.

During his reign, Thailand has experienced a dramatic transformation in its industrial structure to become a leader among developing nations. Manufacturing accounts for over 31 percent of the nation's economy and exports are booming. Textiles have supplanted rice as Thailand's major export item, and Thailand is now a major exporter of sophisticated high-technology products. King Bhumibol's leadership in diversifying his nation's economy and encouraging foreign investment has opened new doors of opportunity and prosperity to his people and has propelled Thailand to a place of respected prominence among the nations of the Pacific rim.

Not only are the industrial and technological advances significant, but King Bhumibol has achieved these gains while preserving the cultural integrity and national heritage of the Thai people. He is a much beloved leader and national patriarch, who has created a unique version of the modern monarchy. Firmly committed to the development of democratic principles, he has always been on the side of peace and prosperity and has responsibly guided his nation within the parameters of his constitutional authority.

The United States and Thailand have enjoyed a longstanding friendship and economic partnership from which both nations have tremendously benefited. I have had the privilege of visiting Thailand on several occasions to promote opportunities for trade and investment and have been profoundly grateful for the assistance and hospitality I have received. It has been an honor and a pleasure to work with this remarkable nation for the continued peace and prosperity of both of our countries.

I know that my colleagues in the U.S. Senate join me in congratulating King Bhumibol for his magnificent leadership and prosperous reign, as we look forward to many more years of friendship with his great nation.●

CELEBRATING THE 50TH ANNIVERSARY OF THE DEPARTMENT OF VETERANS AFFAIRS VOLUNTARY SERVICE [VAVS]

Mr. ROCKEFELLER. Mr. President, this year marks the 50th anniversary of the Department of Veterans Affairs Voluntary Service [VAVS]. Its half-century of caring for veterans and their families in communities across the country has generated more than 440 million hours of service and introduced millions of citizens to the fulfillment and satisfaction of volunteering.

VAVS was born in the burgeoning, postwar VA medical system as VA hospital administrators sought a way to organize the spontaneous volunteer movements that developed in communities near military and VA hospitals. From the start, VA officials recognized this volunteer movement as a natural adjunct to the quality of health care provided veterans. In April 1946, under the leadership of General Omar Bradley, then head of VA, representatives of eight national veterans and service organizations met in Washington, DC, to form a national advisory committee. The result of the meeting was a plan through which both community organizations and individuals could participate in volunteering and help manage those volunteer programs locally and nationally through advisory committees.

That plan was approved May 17, 1946, the birth date of the VA Voluntary Service. Today, there are 60 major veteran, civic, and service organizations participating on the National Advisory Committee, with more than 350 other national and community organizations supporting VAVS.

Still based in the VA health care system, VA volunteers have expanded with that system into every area of patient care and support, and have followed the VA mission into community settings such as hospice programs, foster care, hospital-based home care, veterans outreach centers, homeless veterans programs, and special events for the disabled. In addition, community volunteers work increasingly with VA's other service delivery venues such as benefits offices and national cemeteries.

VAVS volunteers have been particularly active in supporting community programs aimed at reaching and serving the homeless. These 1-to-3 day events offer a variety of services to the homeless, and VA resources focus on assisting veterans, who make up at least one-third of the homeless male population in a typical community.

Volunteers have also become an integral part of the system of national and local showcase events aimed at introducing persons with disabilities back to mainstream activities. These include the National Disabled Veterans Winter Sports Clinic, the National Veterans Wheelchair Games—the largest wheelchair athletic meet in the world—the National Disabled Veterans Golden Age Games, and the National Disabled Veterans Creative Arts Festival. Corporate volunteers play a strong role in these events and have become elemental to their success. Growing participation from the corporate sector is setting the pace for the future of VAVS, along with a strong and growing youth volunteer program that is introducing teenagers and college students to careers as well as to community service.

The focus remains as it was in those early post-World War II years, responding to each community's desire to put its veterans first. That's why last year, volunteers contributed a total of 14,021,586 hours of service through VAVS programs, 12,649,676 of which came from 93,821 regularly scheduled volunteers. Numbers do not tell the real story, however. There is no way to calculate a community's caring and sharing with some of its most important citizens. For 50 years, VAVS has been there to channel that caring in a productive, meaningful way.●

DISTRICT COURT RULING SHOULD SPUR SECRETARY OF AGRICULTURE TO REFORM CLASSIFIED PRICES

● Mr. FEINGOLD. Mr. President, on Monday, Minnesota District Court Judge David Doty released a decision holding that class I prices used in the Federal milk marketing order system are arbitrary and capricious. I rise today to applaud that ruling. It is the second such ruling by the district court in 2 years. It is my hope that the combination of this most recent ruling and Secretary of Agriculture Dan Glickman's commitment to restore equity in Federal orders will finally be enough to change this discriminatory pricing system for good.

Mr. President, class I prices, prices that farmers receive for fluid milk, increase at a rate of 21 cents for every 100 miles a farmer lives from Eau Claire, WI. This systematic discrimination against Wisconsin dairy farmers has never been adequately defended by the Department of Agriculture which has great administrative latitude to set these prices. Department officials have chosen to continue the discriminatory pricing scheme when they had the authority to change it and the knowledge that it should be changed.

Mr. President, this most recent ruling comes more than 5 years after a group of Minnesota dairy farmers filed a class action lawsuit against then-Secretary of Agriculture Clayton Yeutter charging that class I prices were unlawful under the basic authorities of the authorizing statute. The plaintiffs also charged that the system had caused the loss of thousands of Upper Midwest dairy farms as the excessive prices provided to other regions stimulated surplus production driving down prices to farmers in our region. Since this lawsuit was initiated, Wisconsin has lost more than 6,000 family dairy farms who simply could not compete with the mega-dairies in other regions who were enjoying the artificially high fluid milk prices under the Federal order system. As a Wisconsin State senator at that time, I was able to secure funding for the State of Wisconsin to participate in the lawsuit as an amicus curiae. Since that lawsuit was filed, and since I have been a Member of the U.S. Senate, I and other members of the Upper Midwest congressional delegation have taken all steps possible to push for reform of this system. Legislative reform of class I prices has proved nearly impossible as Senators from regions benefiting from this system have rejected all suggestions for reform.

Two years ago, a different district court judge directed then-Secretary Espy to issue an amplified decision properly justifying a 1993 final rule on Federal orders which failed to reform class I prices. One-hundred and twenty days later on August 12, 1994, an amplified decision was issued by the Secretary. That decision, devoid of substance, was an insult to Wisconsin dairy farmers who have suffered from the Department's approach to this issue.

Following the issuance of that amplified decision, the Minnesota Milk Producers Association filed another motion for summary judgment charging that Secretary Espy's amplified decision was arbitrary and capricious because it was unsupported by evidence and inconsistent with the mandates of the authorizing statute.

On Monday, three Secretaries of Agriculture and four sessions of Congress after the initiation of this legal proceeding, the District Court of Minnesota agreed with the plaintiffs. The court concluded that ''the Secretary has wholly failed to provide an explanation of his decision consistent with the requirements of the Agricultural Marketing Agreement Act.'' With respect to the use of Eau Claire, WI, as the reference point from which most fluid milk prices are determined, the court chided the Department for claiming it does not use Eau Claire as a basing point, despite evidence to the contrary. Judge Doty stated, ''The Secretary may not enforce what is clearly a single basing-point system without explaining how it reflects reasoned consideration of the statutory factors. If Eau Claire is to be the basing point, then the Secretary must explain why, for each market to which a contemplated order relates, distance from Eau Claire is a relevant consideration.''

The court stopped short of finding class I prices illegal but found that they have never been adequately justified by the Department of Agriculture and as such, the decision to maintain them was arbitrary and capricious. Judge Doty remanded the decision to Secretary Glickman for 120 days after which the Secretary is to issue an amplified decision on class I prices that reflects the factors mandated by the authorizing statute.

It is my hope that in 120 days our current Secretary of Agriculture will do the right thing and announce comprehensive changes to the classified pricing system with class I prices based upon the economic factors required by the statute—supply-and-demand factors, prices of feeds, other inputs to production, and the public interest.

Interestingly, this time frame coincides with USDA's Federal order consolidation process required in the 1996 farm bill. I have always said, Mr. President, that reform of these discriminatory class I prices and the elimination of Eau Claire, WI, as the single basing point for milk prices could be accomplished through the legislative process, the administrative process or the judicial process. The recently enacted 1996 farm bill and Monday's district court ruling represent the confluence of these three processes.

The Congress, through the 1996 farm bill, has directed the Secretary to consolidate the number of Federal orders from the current 33 to between 10 and 14. Implicit in that directive is administrative reform of the pricing structure for those new orders—an authority which the Secretary holds under the Agricultural Marketing Agreement Act. Secretary of Agriculture Dan Glickman has publicly admitted, both to dairy farmers and to Congress, that class I prices are unfair to the Upper Midwest and have produced ''regional inequities.'' He has committed to reduce class I differentials in the reform process. Now the district court ruling has provided a clear ruling that the Secretary shall follow the economic criteria of the original authorizing statute in setting those prices rather than bowing to political pressures from those regions that benefit from this discriminatory pricing system.

The Secretary has two choices.

He can comply with the court's order by reforming class I prices to bring them more in line with the economic realities in 1996. He can do that both in issuing an amplified decision that complies with the statute as required by the court as well as by implementing pricing reform as part of Federal milk marketing order reform required by 1996 farm bill.

Or he can continue to fight the Upper Midwest in this lawsuit by seeking to delay the process further, rubber-stamping bad decisions by previous Secretaries, causing the loss of even more dairy farms in the Upper Midwest and imposing huge costs on our rural communities that depend on a thriving dairy industry.

I hope Dan Glickman chooses the first option.

This has been a long fight, Mr. President. It is time for it to end. It is time for the Secretary and the administration to do the right thing. I will work with them to make that happen.●

CONGRESSIONAL, PRESIDENTIAL, AND JUDICIAL PENSION FORFEITURE ACT

● Mr. REID. Mr. President, today I join Senators GREGG and NICKLES in introducing long overdue legislation which creates tough new sanctions for public officials who engage in wrongdoing while they are in office. This legislation, the Congressional, Presidential, and Judicial Pension Forfeiture Act, prohibits the receipt of pension benefits by Members of Congress, Presidents and members of the judiciary who engage in criminal conduct while in office. Those who engage in felonies that relate to abuse of office and undermine confidence in public officials should not be entitled to receive generous pension benefits.

Recently, I have heard from many constituents about this issue. This is really something that reflects on the integrity of this institution. It is an issue that affects any individual who aspires to public service. Most I have heard from are upset with the ability of public servants to collect pension benefits after they have been convicted of a felony while serving in a public office. Current law allows a former Member of Congress or a judge to collect their taxpayer financed pensions even after they have been convicted of such offenses as perjury.

The bipartisan legislation we are introducing today would put an end to this practice. Taxpayer financed pensions are not an entitlement. If public officials breach the public's trust they should forfeit their right to these pensions. They do not deserve these benefits if they commit crimes while serving in office. Serving in public office is an honor carrying tremendous responsibility. Whether you are the President, a Federal judge, or a Member of Congress you are always aware of this responsibility. Few undertake this responsibility lightly.

Yet all of us are aware of recent cases involving egregious violations of the public trust. Unfortunately, these individual cases, while isolated, tarnish the image of all public officeholders. They undermine public confidence in our democracy. They do so because the public is led to believe that crime committed while serving in public office pays. And to a certain extent, under the current law, it does. Public officials can commit fraud or perjury

while in public office and are still able to collect generous pensions. This is simply not right.

The bipartisan legislation we are introducing today will put an end to this. Judges, Members of Congress and the President will forfeit their pension benefits if they commit felonies while in public office. The list of felonies which would result in a loss of pension are directly related to the performance of official duties. Among the offenses listed in the bill are bribery and illegal gratuities, improper representation before the government, violation of antilobbying restrictions, false claims and fraud, abuse of the electoral process, conspiracy to defraud the United States, and perjury.

Public service is both an honor and a privilege. It represents a sacred trust and thus we ought to have harsh penalties for those who breach that trust. Those who violate this trust while serving in public office should not be entitled to their pensions. The taxpayers have helped finance these pensions. At a minimum, they are owed this kind of accountability.

Finally, I wish to thank Senators GREGG and NICKLES for their leadership and support on this issue. Senators GREGG, NICKLES and I had been working on a solution to this issue and I am confident that this legislation is the appropriate response. I believe this is a problem in need of bipartisan attention. Greater accountability will ultimately produce public greater confidence in our three branches of government.●

MEMORIAL DAY 1996: SIMPLE TRUTHS

● Mr. DOMENICI. Mr. President, I rise today to mention an upcoming, special American holiday, Memorial Day.

Last year, in honor of Father's Day, I read to you a letter from a fellow New Mexican, Chuck Everett. Mr. Everett originally wrote that letter while he was serving in Korea to his father who was back home in the United States.

In that letter, a younger Chuck Everett talked about certain simple truths—a son's longing to be with his dad on Father's Day; a soldier's patriotism; and hope for the future. The young soldier dedicated that particular day to fathers, the support of free will, free speech, freedom from fear, freedom of religion, and freedom of thought.

Today, in recognition of Memorial Day, I want to share with the Senate and the American people some more insightful thoughts by Mr. Everett. His poem, entitled ''Simple Truths,'' serves as a good reminder to those of us who serve in this esteemed Chamber, as well as to all Americans, that while our country derives much strength from its diversity, we Americans also share basic ideals—ideals for which many men and women have given their lives. As the country remembers those brave Americans who fought for the United States, I submit that we are a nation founded on ideas, notably the rights to life, liberty, and the pursuit of happiness. These are simple truths to be cherished and protected for future generations.

In memory of those who were killed or are still considered to be missing in action, I respectfully ask that the text of Mr. Everett's poem be printed in the RECORD.

The poem follows:

SIMPLE TRUTHS

Simple truths are emotions from the heart
To state those feelings we wish to share
With those with whom we do not stand apart
And sharing those ideals about which we care.

We ever strive to serve our God and country,
A nation born to hear the bells of freedom ring.
Bound not by the shackles of fear and affrontry.
But living free of oppression by dictator or king.

We dedicate our lives to the support of democracy,
Building a nation with simple truths in mind,
Glorified in living free from any aristocracy,
Striving for liberty and justice for all mankind.

Let our mission be to keep this country free,
To stand tall for what we feel is right or wrong,
Embracing ourselves in the principles of liberty
And always being on the alert and ever so strong.—C. Everett.●

WAYLAND V.F.W. POST 7581

● Mr. LEVIN. Mr. President, this weekend America honors its veterans through Memorial Day activities across the country. It is a time when we thank our veterans for their service and remember those we have lost. Veterans of Foreign Wars Post 7581 in Wayland, MI, will be celebrating Memorial Day this year as it does each year. However, this year will be especially significant because it marks the 50th anniversary of the post.

Wayland VFW Post 7581 was chartered at a ceremony in the Wayland High School gym on June 10, 1946, with 43 members. In 1949, a Ladies Auxiliary to the post was instituted. VFW Post 7581 dedicated its headquarters on June 10, 1956. Most of the work on the building was done by the members of the Post. Over the years, post membership has grown dramatically. The post now maintains 289 members, including 74 life members.

During its 50 years, the post has dedicated its efforts to providing services for the Wayland community, including: Lite-a-Hike campaigns, blood banks, little league baseball, polio dances and the donation of flags to local schools. Last winter, the post made national news for helping stranded motorists during the blizzard. The post also conducts military funerals, participates in Memorial Day activities and assists veterans submitting claims to the Veterans' Administration.

Mr. President, the members of Wayland VFW Post 7581 have not only proudly served our country in military service, but they continue to serve through their commitment to community. I know my Senate colleagues will join me in honoring the veterans of VFW. Post 7581 and congratulating them on their 50 years of service to the community of Wayland, MI.●

JANET RENO'S WORDS OF WISDOM

● Mr. HOLLINGS. Mr. President, we have a lot to be proud of in our country and we have many great role models. One role model, who recently visited my home state and spoke to the graduates of the University of South Carolina, is Janet Reno.

Janet Reno is our country's first female Attorney General and has excelled in the role. She is a dedicated, top-flight public servant. And indeed, that was also her reputation in Florida, where President Clinton plucked her in 1993 from her role as the State's attorney for Dade County. Janet Reno was known in Dade County as a tough, front-line crime fighter and she devoted herself to making communities safer, keeping children out of trouble, reducing domestic violence and helping families. She also targeted career criminals, dangerous offenders and drug traffickers, promising strict and certain sentences that put them away and kept them away.

Janet Reno grew up in Florida and worked her way through Cornell University. She wanted to pursue a law degree but was told that ''woman didn't become lawyers.'' She ignored the advice and became one of only 16 women in a class of 565 students to enroll in Harvard Law School in 1960. When she graduated, people said, ''No one will hire a woman lawyer.'' She proved them wrong, of course. Janet Reno was and is a trail-blazer.

In her speech to the USC graduates, Janet Reno talked about the frustrations that faced her and her predecessors as Attorney General. She said:

> There is no vaccination for crime, as there is for polio. The only thing we have is hard work, seven days a week, parents raising children right, police walking the beat every single night, and prosecutors putting criminals behind bars, one by one. Our problems are complex and the answers rarely simple.

Janet Reno encouraged the graduates avoid the deadly sins of our public life: extremism, cynicism and defeatism. Her advice is sound and I think we could all benefit from it. I ask that her address be printed in the RECORD.

The address follows:

SPRING COMMENCEMENT ADDRESS BY U.S. ATTORNEY GENERAL JANET RENO

I am honored to share this day with you. It is so wonderful to look out to see so many who have worked so hard to obtain their diploma today. I especially want to say hello to my fellow chemistry majors. In 1960, I earned my chemistry degree from Cornell University. So, to you parents who worry that your graduating sons and daughters still lack a clear career goal, I suggest, give them a little more time; you never know what might happen.

Since my graduation in 1960, so many things in America have changed for the better. In 1960, the Iron Curtain divided the world between freedom and dictatorship. Just two weeks ago I walked the streets of Budapest along side the free people of Hungary, and I talked with Western Europeans and Eastern Europeans alike about our common fight against crime. In 1960, even after the Supreme Court outlawed racial segregation, much of America was still divided into two nations, black and white. But in the civil rights efforts that soon followed, our nation kept the promises the founding fathers made and finally made equality the law of the land.

In 1960 when I graduated from college, people told me a woman couldn't go to law school, and when I graduated from law school, people told me law firms won't hire you. Thirty years later, no one ever told me I couldn't be Attorney General. You are graduating into an amazing era. In 1960, nobody had ever heard of the Internet, no one had been to the moon. The CAT scan was not invented until 1973. But even though our world is more safe and our country is more just and new technologies are changing our lives, nobody would say that we are a nation without serious, serious challenges. Many of these challenges seem so stubborn and unyielding, such as violent crime, homelessness, and poverty. Others seem complex and inscrutable, like the international economy and the spread of AIDS. And others just seem overwhelming, like the fear of terrorism or environmental catastrophe. But America is a nation of optimists and problem solvers. Each generation looks to its children to keep our society moving and to make life better. After the parties and the vacations and the graduate degrees yet to come, America will look to you for help. For no matter where you go and what you do, you can make a difference.

That's what I would like to talk about today. For in these last 30 years, too many people of goodwill have looked at these very hard problems and started throwing up their hands and turning away. They are getting caught up in the three deadly sins of our public life: extremism, cynicism, and defeatism.

The first great threat to our optimistic spirit is extremism, for it blinds us to the tough, tough choices we all confront when we wrestle with the difficult problems of today. The historian Arthur Schlesinger once observed that America's progress and freedom were fueled by what he called ''the vital center in American politics.'' He meant a place where men and women of reason and goodwill could meet regardless of their political party affiliation, a place to hash out their differences and debate the problems of the day. A lively debate to be sure, sometimes even unruly, but one carried out on common terms with respect for the other person. The vital center has always been a place where people might be divided in their approach to solving a problem, but where they were united, as Americans, in their determination to act reasonably and to see the virtue in other points of view. In short, the politics of the vital center means using democracy as a process of working together to find solutions that attack problems with progress. Slow sometimes, terribly slow and exhausting to be sure, but always in the American tradition of reforms that are not perfect, but take us one step forward, one important step forward.

Today I fear many Americans are forgetting about the vital center. Too often in today's politics, on all sides, people are confronting tough problems and retreating to extremes and to simple solutions instead of embracing the complexity that problem solving always demands and that democracy requires. You may not like everything government does, I know I don't, but the alternative is not to throw up your hands or turn to violence. What we must do is to sit down together as reasonable people and make our government do what is right and stop doing what may be wrong-headed or wasteful. Extremism wants to sprint when the race is really a marathon. Extremism wants to escape the complexity of democracy and the staggering diversity of human nature, but it never can. Extremism argues that problems are easy to solve but if they were, we would have licked them a long, long time ago.

As Attorney General, I deal with problems that frustrated previous Attorney Generals for years, such as crime, terrorism and domestic violence. There is no vaccination for crime, as there is for polio. The only thing we have is hard work seven days a week, parents raising children right, police walking the beat every single night, and prosecutors putting criminals behind bars, one by one. We're not a bumper sticker away from solving terrorism. We have to be eternally vigilant, close our borders to those who threaten us and work slowly and patiently for peace in the lands where foreign terrorists come from, just as we must fight the hatred and the paranoia that fuels domestic terrorism. There is no sound byte that can make domestic violence go away. We have to stop abusers one by one and let them know that there is never an excuse for hitting someone you love. We have to build shelters one at a time to give victims a safe place away from the abuse, and we have to help victims rebuild their lives slowly and steadily.

The vital center knows that problems are complicated and that answers are rarely simple. I hope that in your lives you will choose the course of leadership, not partisanship. Think twice when someone has a simple answer. Remember that so many of our problems took decades to get where they are and that no amount of sloganeering can fix them overnight. And don't ever forget to listen. For I have learned so much when I have listened to the people with whom I have disagreed. Sometimes I have changed my mind. Sometimes I have changed theirs.

The second great threat to our nation's optimistic spirit is cynicism. Maybe you have faced it already. The cynic knows so much about what is wrong and why it can't be fixed. He can tell you which baseball players strike out the most and why planes and stock markets crash. She can tell you which public figures were caught doing something wrong, why the current peace negotiations are doomed, and why so many marriages end in divorce. It may be a beautiful South Carolina day, but the cynic knows it is going to rain someday. Of course, cynicism never happens by itself, it always builds on genuine problems and disasters. Watergate and other scandals convinced millions of Americans that government was permanently broken and that everyone in public life was some sort of alien from ordinary American life, that they might as well have landed in a spaceship. In fact, you can look at any of our institutions and you can find a scandal, and cynics told you so. Sports heroes, police officers, business leaders, doctors, ministers, teachers and politicians—everyone can point to people in all walks of life who have fallen below society's standards. We can use a funny line to dismiss politicians or teachers or Wall Street bankers, but that's the easy way out and after we do, what's different? Nothing, except that fewer good people are willing to work to make our government better, care for the helpless amongst us, or build a business that puts its customers needs first.

At the very least, if you're finding yourself falling prey to cynicism, consider its cousin, skepticism. At least the skeptic has an open mind. The skeptic sees all the same problems and asks all the same questions, but is willing to let the answer be good or bad. And if you are a recovering cynic, and you have made it back to skepticism, why not just take the final step and become an idealist in the best American tradition? And I don't mean for a minute that you should be naive. The Reverend Martin Luther King Jr. talked about the need for all of us to have a tough mind and a tender heart. I can tell you that no one can come to Washington and ever hope to do well if she does not start the morning by asking tough questions and end the day getting real answers. This nation was founded by idealists with tough minds and with tender hearts, and they formed a government designed to check the worst in human nature just as they risked their lives to found a country that cherished freedom and liberty over oppression. They took the hard way, and they made a difference.

A month ago, as the sun was setting before it rose again on Eastern morning, I was in Dover Delaware listening to President Clinton honor Commerce Secretary Ron Brown and 32 other Americans who died in the plane crash in Bosnia. They were young and old, men and women, government workers and business leaders, but they were all there because they believed they could help a ravaged country heal from civil war. These 33 lives, said the President, show us the best of America. They are a stern rebuke to the cynicism that is all too familiar these days. He talked about how family after family told him how their loved ones were proud of their work and believed in what they were doing and believed they could make a difference.

Finally, I want to talk to you about the brother of extremism and cynicism, defeatism. Not everyone faces hopelessness, but no one is far away from someone who does. It may be across town where a family can't afford to pay the rent, or take the child to the doctor because they don't have a job. It may be in the next classroom where a student is convinced that he will never succeed, that no one cares, and that street crime will be the only way out of a hard life. It might be next door where a wife or child faces terror every night at the hands of an abusive spouse or parent. You may never find yourself at the bottom of life's pit, and, if you do, I prey that you have the energy and courage to get up and out. But you may know someone who has fallen, someone who doesn't even want to try because he is sure it won't make a difference.

I have been Attorney General now for three years, and my faith in the American people and their ability to deal with adversity has never been so strong. I have never been so sure that we can prevail against the causes of wrong in this world. I know we can defeat extremism and reclaim the vital center. I know we can defeat cynicism and seek what is good amidst all that is bad. I know we can defeat defeatism and teach those who have fallen to get up and to hope again. It won't be easy, and it will take a lot more than any speech could ever do, but I come here today because you are the future of this country.

I know you have the energy. I know you have the commitment. I know you can make the choice to stand for what is right and good in this world. If you choose public service you will be choosing one of the most rewarding and fulfilling careers our society can offer. But whether you are running a business, or teaching a class, prosecuting criminals, or raising a family, you can make a difference. In another spring time, 33 years ago, the Reverend Martin Luther King Jr.

sat in a Birmingham jail, exhausted from years of seeking justice for all. He was dispirited, and even some of his fellow ministers were saying he should back off and wait for progress to happen on its own. He must struggle to keep cynicism out of his every thought, and sitting in that jail cell day after day, with progress coming slowly or not at all, he had to wonder why any man had a right to hope. But Reverend King made his choice, he began writing until his words filled the margins of a secondhand newspaper. The power of his choice flowed out of a pen and into the conscious of America. Today as you prepare to make your choices in life, I would like to close with a few of those words from Dr. King's letter from that Birmingham jail:

''We must come to see that human progress never tolls in on wheels of inevitability. It comes through the tireless efforts and the persistent work of men willing to be co-workers with God, and without this hard work time itself becomes an ally of the forces of social stagnation. We must use time creatively, and forever realize that the time is always ripe to do right.''

I hope and pray that you will make your choice the choice of standing for what is right and good in this world. Thank you, congratulations, good luck, and God bless you.●

TRIBUTE TO PRESIDENT LEE TENG-HUI, PRESIDENT OF THE REPUBLIC OF CHINA

● Mr. BROWN. Mr. President, I rise today to congratulate the first popularly elected President of the Republic of China, Lee Teng-hui. All Americans congratulate the people of Taiwan for voting to complete their transition to democracy.

The election of President Lee on March 23, 1996, was the result of a 10-year transition which some have called a political miracle in twentieth-century Chinese politics, making Taiwan the first Chinese democracy.

President Lee and the people of Taiwan not only deserve congratulations for their transition to democracy, they also deserve our continued support. As President Lee and the Taiwanese emerge as a force for democracy, freedom and stabilization in East Asia, the United States should encourage their efforts to be represented and respected in international organizations and negotiations as well. The United States should also support and encourage constructive dialog and relations between Taiwan and Beijing.

This transition to democracy is especially significant because it took place against a background of mounting military intimidation, political threats, and diplomatic isolation from mainland China. Despite these intimidating threats, the people of Taiwan were not deterred from casting their ballots for freedom and liberty.

On May 20 in Taipei, President Lee delivered his inaugural address to the world as well as to the people of the Republic of China. He said:

My fellow countrymen: The doors have opened to full democracy, with all its vigor in full swing. Today, most deserving of a salute are the people of the Republic of China: A salute to them for being so resolute and decisive when it comes to the future of the country. A salute to them for being so firm and determined when it comes to the defense of the democracy. A salute to them for being so calm and invincible when it comes to facing up to threats.

I join many in celebrating President Lee's triumph and the will of the people of the Republic of China to march boldly down the road of democracy for the first time in the history of the Chinese people.

Mr. President, I ask that the complete text of President Lee's inaugural address be printed in the CONGRESSIONAL RECORD.

The text follows:

FULL TEXT OF PRESIDENT LEE TENG-HUI'S INAUGURAL SPEECH

Your Majesty, Your Excellencies, Distinguished Guests, My Fellow Countrymen, Ladies and Gentlemen:

Today we are assembled here to jubilantly and solemnly celebrate the inauguration of the President and Vice President before all our compatriots. This gather marks not only the commencement of the ninth-term Presidency and Vice Presidency, but also a fresh beginning for the future of the country and the people.

Today, the 21.3 million people in this country formally march in the new era of ''popular sovereignty.''

Today, the Chinese people enter a new frontier full of hope.

Today, we in Taiwan firmly tell the world, with great pride and self-confidence:

We now stand on the apex of democratic reform and will remain there resolutely.

We have proved eloquently that the Chinese are capable of practicing democracy.

We have effectively expanded the influence of the international democratic camp and made significant contributions to the cause of freedom and democracy.

Therefore, this gathering of today does not celebrate the victory of any candidate, or any political party for that matter. It honors a triumph of democracy for the 21.3 million people. It salutes the confirmation of freedom and dignity—the most fundamental human values—in the Taiwan, Penghu, Kinmen and Matsu area.

My fellow countrymen: The doors have opened to full democracy, with all its vigor in full swing. Today, most deserving of a salute are the people of the Republic of China:

A salute to them for being so resolute and decisive when it comes to the future of the country.

A salute to them for being so firm and determined when it comes to the defense of democracy.

A salute to them for being so calm and invincible when it comes to facing up to threats.

From now on, the people as a whole, rather than any individual or any political party, will be invested with the ruling power of the nation. This is free will in full play, the fullest realization of ''popular sovereignty,'' the real compliance with the will of Heaven and response to human wishes.'' the getting rid of the old and ringing in the new. All the glory belongs to the people.

My fellow countrymen: At this very fresh start of history, we pledge ourselves to launch the new era with a new determination and new deeds. This is our common homeland, and this is the fundamental support we draw upon in our struggle for survival. Fifty years of a common destiny forged in fortune and misfortune have united us all into a closely bound and interdependent community. The first-ever popular presidential election has reconfirmed our collective consciousness that we in Taiwan have to work together as one man.

How to make this land of ours more beautiful and how to make its inhabitants feel safer and live a happier and more harmonious life is the common responsibility of the 21.3 million people!

''Whatever the people desire is always in my heart.'' I am fully aware of the needs of the people and I pledge myself to do my best to deserve their trust. But no individual or political party can single-handedly decide a policy of far-reaching importance to the country. The government will soon invite opinion leaders and other representatives from various quarters to exchange views on major topics of future national development. The consensus that emerges from such meetings will launch the country into a new era.

The election is over, but the promises made during the campaign will be kept and fulfilled as soon as possible. Building a modern country entails the services of all available talents. I am convinced that only when upright, insightful, capable and experienced people, regardless of their political affiliation or social group, participate in the leadership of the government will political stability and national growth be ensured.

The times are changing, so is the social climate. Keeping in the old grooves while refraining from any innovation is doomed to failure. Political maneuvering has no place in political interaction, nor can self-interest have any role in deciding upon a political position. No quarrels can be started under the pretense of representing the will of the voters. A boycott certainly is not the equivalent of checks and balances. The ideal of democracy we are pursuing means not just effective checks and balances; it demands hand-in-hand cooperation for the welfare of the people among the political parties.

Four years will soon pass. We have no time for wavering or waiting. For the purpose of laying a solid and secure foundation for the country and bequeathing a happy and comfortable life to the future generations, let us get off to a very good start today—May 20, 1996.

First, we have to broaden and deepen the democratic exercise. Horizontally, we will share our democratic experience with all Chinese and international friends. Vertically, we will proceed to phase 2 constitutional reform, promote clean elections, ensure clean and efficient government, enhance law and order, restructure the political landscape, and strengthen the multiparty political system, so as to guarantee stability and development for democracy.

Economic growth and political democracy are equally important. Without continued success in economic development, we risk losing everything. We have to make sure that the plan for turning Taiwan into a hub for business operations in the Asia-Pacific region will proceed on schedule so that this country may from a position of strength play a role to be reckoned with in the international community and in the process of national unification. In the meanwhile we have to plan ahead for national development well into the next century, nurture a liberalized and internationalized economic regime in as short as possible a period of time, foster a low-tax, obstacle-free business climate, renovate the land system, improve the small and medium business, and greatly enhance national competitiveness. Only when thus prepared will we be able to compete in a new Asia-pacific age of mutual benefit and co-prosperity, thus becoming an indispensable partner for prosperity and development internationally.

At the same time we do not intend to neglect development in non-economic sectors. Our top priorities will be the judicial system,

education, culture, and social restructuring, which will have to move ahead in tandem.

Judicial reform should be based above all on the rule of law. All judicial judgments have to be fair and make sure that all are equal before the law. The rule of law being the foundation of democracy, the cause of democracy will be compromised to a serious extent if court rulings are not trusted by the people. The reform will also guarantee full respect for any fundamental human rights including those of prisoners and parties to a law suit. Rectitude and efficiency in the court and prosecutorial system will have to be drastically improved.

Reform in education aims to put into practice a concept of education that imparts happiness, contentment, pluralism and mutual respect. Such education is designed to develop potentialities, respect individualism, promote humanism, and encourage creativeness. All unreasonable restrictions will be removed to allow the emergence of the life education system. Ample room will be reserved for individual originality and personal traits to ensure the continued pursuit of self-growth and self-realization. The new generation will be assisted to know their homeland, love their country and foster a broad international view. Fortified in this manner they can better meet international challenges and map out a bright future for their country in an increasingly competitive global village.

My fellow countrymen: After 5,000 years the Chinese are still going strong solely because the derive sustenance from an excellent culture. Under the strong impact of Western civilization since the mid-19th century, Chinese culture has gone through tribulations and shocks giving rise to a sharp decline in national confidence. Bearing this in mind. I have never stopped thinking about cultural regeneration. I am hoping that the people of Taiwan will nurture a new life culture as well as a broad and long-sighted view of life. The new Chinese culture, with moorings in the immense Chinese heritage, will draw upon Western cultural essence to facilitate adapting to the new climate of the next century.

This is the essence of the concept of ''manage the great Taiwan, nurture a new Chinese culture.'' All the major cultures originated in a very restricted area. The 5,000-year Chinese culture also rose from a small region called Chung Yuan. Uniquely situated at the confluence of mainland and maritime cultures, Taiwan has been able in recent decades to preserve traditional culture on the one hand and to come into wide contact with Western democracy and science and modern business culture on the other. Equipped with a much higher level of education and development than in other parts of China, Taiwan is set to gradually exercise its leadership role in cultural development and take upon itself the responsibility for nurturing a new Chinese culture.

Managing the great Taiwan can nurture not just a new culture, but also a new society. With political democracy, Taiwan's society has become robustly pluralistic. The vigor thus released will provide nourishment for new social life and bring about further progress.

We will regenerate family ethics and build up a strong sense of community beginning at the grass roots. This will enable us to have a harmonious and communicative society where all members can have the joy of family life. People will also be encouraged to live a simple life and treasure all available resources. The land should be used based upon optimum planning, and nature conservation should be promoted to make it possible for future generations to savor the beauty of the landscape. In the same spirit, we will take better care of the disadvantaged groups in the interests of social harmony and human dignity. We also want to have in place a social security system, fair to all and sure to endure, that provides for freedom from want. But this system can only be installed gradually, depending upon the availability of funding support.

At the very time when we are engaged in the task of developing the Republic of China on Taiwan, the overseas Chinese are never out of mind. We do our very best continuing to assist them in developing their careers. The welfare of the Chinese in Hong Kong and Macao has always been of great concern to us. We are ready to land them a helping hand to help maintain democracy, freedom and prosperity in this area.

Today the existence and development of the Republic of China on Taiwan has won international recognition and respect. In the new international order of today, such basic tenets as democracy, human rights, peace and renunciation of force are universally adhered to; they are in full accord with the ideals upon which our country was founded. We will continue to promote pragmatic diplomacy in compliance with the principles of goodwill and reciprocity. By so doing we will secure for our 21.3 million people enough room for existence and development as well as the respect and treatment they deserve in the international arena.

My fellow countrymen: China has suffered a lot in the 20th century. In the initial stages, it was buffeted with a series of invasions, and over the last 50 years an ideological gap has been responsible for the Chinese-fighting-Chinese tragedy, resulting in confrontation and enmity among the Chinese. I have been of the view that on the threshold of the 21st century the two sides of the Taiwan Straits should work for ending this historical tragedy and ushering in a new epoch when Chinese should help each other.

It is this consideration that over the past years has been guiding our initiative in promoting a win-win strategy for expanding cross-straits relations leading to eventual national unification, but we are doing this on the premise that the Taiwan, Penghu, Kinmen and Matsu area is well protected and the welfare of its people safeguarded. Unfortunately, the cross-straits relationship has experienced bumps from time to time because the Chinese Communists have refused to admit the very fact that the Republic of China does exist in the area. Beginning last year, the Chinese Communists, because of their opposition to democracy, launched against myself a smear campaign using false charges to damage my credibility, but I simply ignore their irrational behavior and remain patient. An eye for an eye is no solution to an historical question of 50 years.

In an attempt to influence the outcome of the first popular presidential election in March, the Chinese Communist conducted a series of military exercises against Taiwan, but unrivaled restraint prevailed in this country. We know that it is imperative that peace and stability be maintained in the Asia-Pacific region. More important, we would not like to see the sudden disappearance of the economic growth in mainland China that has been made possible with great difficulty by its openness policy over the years. Patience on the part of the 21.3 million people is not tantamount to cowardice. Because we believe quiet tolerance is the only way to dispel enmity bred by confrontation. We will never negotiate under threat of attack, but we do not fear to negotiate. Our position is that dialogue will lead to the resolution of any issues between the two sides of the Taiwan Straits.

The Republic of China has always been a sovereign state. Disputes across the Straits center around system and lifestyle; they have nothing to do with ethnic or cultural identity. Here in this country it is totally necessary or impossible to adopt the so-called course of ''Taiwan independence.'' For over 40 years, the two sides of the Straits have been two separate jurisdictions due to various historical factors, but it is also true that both sides pursue eventual national unification. Only when both sides face up to the facts and engage in dialogue with profound sincerity and patience will they be able to find the solution to the unification question and work for the common welfare of the Chinese people.

Today, I will seriously call upon the two sides of the Straits to deal straightforwardly with the momentous question of how to terminate the state of hostility between them, which will then make a crucial contribution to the historic task of unification. In the future, at the call of my country and with the support of its people, I would like to embark upon a journey of peace to mainland China taking with me the consensus and will of the 21.3 million people. I am also ready to meet with the top leadership of the Chinese Communists for a direct exchange of views in order to open up a new era of communication and cooperation between the two sides and ensure peace, stability and prosperity in the Asia-Pacific region.

My fellow countrymen: We in Taiwan have realized the Chinese dream. The Chinese of the 20th century have been striving for the realization of a happy, wealthy China and of Dr. Sun Yat-sen's ''popular sovereignty'' ideal. For 50 years, we have created in the Taiwan, Penghu, Kinmen and Matsu area an eye-catching ''economic miracle'' and achieved a world-acclaimed democratic reform. The Chinese who were regarded as dictatorial, feudalistic, penurious, and backward by Western countries one century ago have by now created in the Taiwan area a new land of democracy, wealth and progress, proudly enjoying enthusiastic recognition from the world. This stand for not just a proud achievement of our 21.3 million people; it marks a crucial departure for the Chinese people to rise again to a new height of glory. We believe that whatever is achieved by the Chinese in Taiwan can also be achieved by the Chinese in mainland China. We are willing to provide our developmental experience as an aid in mapping out the direction of development in mainland China. The fruits of our hard work can be used to assist in enhancing the welfare of million of our compatriots on the mainland. The Chinese on the two sides can thus join forces for the benefit of the prosperity and development of the Chinese nation as a whole.

My fellow countrymen: I wish to take this opportunity to express my heartfelt gratitude for the trust you have reposed in me. Today, I have accepted with humility and solemnity the office of the ninth-term President of the Republic of China at the swearing-in ceremony this morning. I fully understand the meaning of this office as well as the duties of this office. I pledge myself to the complete performance of my duties to the best of my power. I would never fail you. Meanwhile, I sincerely call upon all my fellow citizens to give me wholehearted, unselfish and patient support so that we may stride forward hand in hand into the 21st century. I am convinced that during the next century the Chinese people will be able to achieve the historic enterprise of peaceful unification and do their very part for the peace and development of the world.

May I wish the Republic of China continued prosperity and all the distinguished guests health and happiness. Thank you.●

THE CLOSURE OF PENNSYLVANIA AVENUE: A MATTER OF COMMON SENSE

● Mr. Pryor. Mr. President, there has been a lot of talk recently, both in Congress and in the media, about reopening the area of Pennsylvania Avenue directly in front of the White House that was closed due to security concerns. Reopening the street to commuter traffic sound good to drivers who are inconvenienced. But before we tear down security structures at any Federal facility we should step back and review recent events in Oklahoma City and New York. The security of Federal buildings has become a serious issue indeed, and when the lives of Americans are threatened we cannot afford to act politically.

About 1 year ago, Treasury Secretary Robert Rubin, whose department is charged with protecting the President, ordered the Secret Service to close Pennsylvania Avenue to vehicular traffic in front of the White House. His decision was not made precipitously but only after it was called for by the most comprehensive study of White House security in our Nation's history. That study, which was conducted by a body called the White House Security Review, determined that the threat of violent acts against the White House, and other Federal buildings, had grown much more serious over the last decade.

It does not take a big study to tell us that times have changed and that there is a greater threat to Federal buildings such as the White House. The World Trade Center bombing, the Oklahoma City bombing, not to mention the murder near CIA headquarters 10 miles from here, are ample evidence of the threat that domestic terrorism now poses in America.

Mr. President, all of us agree that the White House is the property of the public, that it should be as accessible as reasonable possible. But the White House Security Review clearly found that the threat to public safety from an open Pennsylvania Avenue far outweighed the inconvenience to commuters and sightseers in cars. After much consideration the Review concluded that it was, not able to identify any alternative to prohibiting vehicular traffic on Pennsylvania Avenue that would ensure the protection of the President and others in the White House complex from explosive devices carried in vehicles near the perimeter. These findings were endorsed by its independent bipartisan Advisory Committee, which included former Secretary of Transportation William Coleman and the former Director of the FBI and CIA, Judge William Webster.

According to every authorative study of the situation, restricting car traffic around the White House is more than reasonable. It is essential.

Many argue that Secretary Rubin's actions have had a negative effect on America's enjoyment of the White House. However, tours have continued as scheduled, and visitors can now enjoy walking and biking down Pennsylvania Avenue without danger of vehicular traffic. The White House is still the people's house and many would say that enjoyment has been increased by the evolving pedestrian mall.

Perhaps the strongest argument against closure of Pennsylvania Avenue in front of the White House is that it causes traffic problems for city motorists. While it is true that closure of this area has increased an already bad traffic problem, the Department of Transportation's Federal Highway Administration and the District of Columbia's Department of Public Works are examining short-term and long-term measures to reduce traffic problems in the city.

Again, inconvenience of drivers around the White House cannot take precedent over the safety of the public who visit the White House, the public servants who work in the White House and, of course, the President and his family. Our Government and society places a high value on human life and I think even the most anxious D.C. driver would not want their zeal to get around town to result in harm to another American.

It is also valuable to note that the creation of a pedestrian mall is consistent with President Washington's vision for the White House, and it is similar to a proposal that President and Mrs. Kennedy endorsed a generation ago.

Mr. President, Americans have long been known for their freedom, but I like to think Americans are also known for their common sense. While I realize that restricting access to any public building is not consistent with America's sense of freedom, I would argue that reopening Pennsylvania Avenue is contrary to our good common sense.

Mr. President, Secretary Rubin made a wise decision a year ago. He used his common sense and decided that closing Pennsylvania Avenue was the right thing to do. Let's not overrule his good judgment or jeopardize the people's house by reopening Pennsylvania Avenue.●

RECOGNITION OF CHISHOLM TRAIL ROUNDUP, FORT WORTH, TX

● Mrs. HUTCHISON. Mr. President, more than a hundred years ago, cattle drives made their way across the Texas plains toward the railhead of Abilene, KS, along what came to be known as the Chisholm Trail. Within a span of only two decades, the Chisholm Trail not only transformed settlements and towns, like Ft. Worth, into major centers of commerce, it also produced one of our Nation's most enduring folk heroes—the cowboy.

Since 1976, the Chisholm Trail Roundup has been held in the historic Stockyards District of Fort Worth, TX. The Roundup celebrates the Western spirit of adventure and perseverance and honors the cultures of tribe and Nation that forged a new way of life on the American frontier. From native American dances to cowboy gunfights, the roundup displays all aspects of frontier life and creates an atmosphere in which learning about our history and enjoying the festival come together.

As one of the country's largest annual festivals, the Chisholm Trail Roundup is nonprofit and benefits Western heritage organizations. For 3 days in June, Fort Worthians will gather once again to celebrate the city's rich heritage and to relive one of the most memorable times in American history.

As a Senator from the State of Texas, I would like to recognize the Chisholm Trail Roundup and its efforts to remind us of our pioneering heritage. I appreciate the thousands of hours of work that have gone into planning this year's event, and I am looking forward to many more roundups in the years to come.●

LARGE BINOCULAR TELESCOPE ON MT. GRAHAM IN ARIZONA

● Mr. INOUYE. Mr. President, I rise to express my serious concern with language contained in the final fiscal year 1996 appropriations measure which addressed the construction of the Large Binocular Telescope on Mr. Graham in Arizona, which is a sacred place to the Apache Nation and home to the endangered Mt. Graham red squirrel. The Apache tribal and religious leaders have urged the Congress and the administration to protect their historic holy land. They are joined by national Native organizations and by a broad cross-section of the religious and environmental communities internationally. I am also troubled that because there has been no hearing in the Congress on this matter, the Apaches have not been afforded an opportunity to be heard on this important matter of religious freedom.

It is my understanding that the administration has stated its position that construction should not proceed until and unless there is full compliance with standard environmental and cultural reviews. This position is consistent with the recent ruling by the Ninth Circuit Court of Appeals, and it would appear that the language addressing Mt. Graham telescope contained in the appropriations Act is not contrary to this position. I can only assume that the administration and many of my colleagues who have concerns both for the environment as well as Native American rights have not insisted on the removal of this language because they also read it as allowing for the customary environmental and cultural reviews to be completed before construction on the telescope is allowed to proceed.●

SALUTE TO ELIZABETHTON AND CARTER COUNTY ECONOMIC DEVELOPMENT COMMISSION

● Mr. FRIST. Mr. President, today, I would like to commend the city of Elizabethton and Carter County, TN, for their innovative work in helping attract businesses and residents to their community through the use of the Internet. Last November, the Elizabethton and Carter County Economic Development Commission established a World Wide Web home page to provide corporations looking to relocate or select sites for expansion with instant access to the information they need on this region in upper east Tennessee.

The Elizabethton and Carter County Community Profile is an online listing that offers viewers demographic information on the area, including labor statistics, tax rates, education levels, population, housing data, types and availability of transportation, and locations of business complexes and industrial parks. It encompasses more than 120 pages of detailed community and economic information for consultants, site selection, real estate and corporate executives throughout the world and is a fine example of how advanced technology can aid in the growth and development of every American city.

As a physician and a U.S. Senator, I know firsthand how useful the Internet has become in the last few years. When I was a heart transplant surgeon in Nashville, I considered access to the Internet as vital to my work as any surgical instrument because it allowed me to obtain up-to-the-minute information on the latest medical techniques and procedures. It also allowed me to communicate easily with my colleagues in transplant surgery throughout the country and across the globe.

Since coming to the U.S. Senate, I have found a new use for the Internet—constituent communications. My World Wide Web home page—the first established by a Republican Member of Congress—now allows Tennesseans to view legislation that I have introduced, as well as my press releases, flow statements, biographical information, committee assignments, and voting record with the click of a mouse. And I am able to communicate via e-mail with thousands of Tennesseans and Americans who contact my office through my home page seeking further information on specific issues. The Internet has revolutionized the way my Senate office functions.

In much the same way, the information superhighway is revolutionizing the way companies do business and the way cities and counties approach economic development. Mr. President, Elizabethton and Carter County are on the frontlines in this revolution. There are many much larger cities that will have to struggle to obtain the technological advancements that have been made in this community. Mr. President, I commend the Elizabethton and Carter County Economic Development Commission for their foresight, innovation and creativity, and I look forward to seeing other cities and counties follow Elizabethton's and Carter County's lead.●

WHY DO WE CALL TAXES A BURDEN

●Mr. PELL. Mr. President, there is a commonly held belief abroad in the land that all taxes are inherently burdensome. This is implicit in an event recently noted, known as ''Tax Freedom Day.'' I was moved to ponder this matter after reading an article in The Washington Post, entitled ''Why Do We Call Taxes a Burden'?'' by Professor Rashi Fein. Professor Fein makes the point, most excellently, that our language shapes our actions.

A ''burden'' is by definition oppressive. Our facile use of the term in connection with our taxes thereby encourages us to act to ease those taxes. By such thinking, in fashioning a budget resolution, all manner of actions become justified. Let us jettison support for Medicare, Medicaid, Social Security, hiring of police officers, heating assistance to the poor, protection of our environment, education loans, United States humanitarian operations, civilian and military retirement pensions, national defense, prosecution of drug smugglers, and Amtrak. Thus, so this form of reasoning goes, will our ''burden'' be lifted. Yet who among us would not assert that some, if not all of the aforementioned programs are worthy in motive and intent, albeit perhaps not flawless in execution?

Professor Fein posits that the weighing of appropriate tax and expenditure policies is difficult when our language encourages us to think of our taxes as burdens not connected to the benefits we derive from them. Police protection, clean air and water, an educated populace, and a strong national defense benefit each and every one of us. Moreover, Federal entitlements—benefits citizens are entitled to collect if they meet certain demographic or income definitions—reach 49 percent of U.S. households, including 39 percent of families with children and 98 percent of the elderly.

As a moral proposition, we must be careful of our words, for our words become our actions. And, as the adage goes, actions become character, and our character becomes our destiny. In considering amendments to the budget resolution, let us not join in vying to reduce our tax ''burden'' lest our destiny become a society ''less organized and less civilized.''

Mr. President, I ask that the article entitled ''Why Do We Call Taxes a Burden'?'' be printed in the RECORD.

The article follows.

[From the Washington, Post, May 17, 1996]

WHY DO WE CALL TAXES A 'BURDEN'?

(By Rashi Fein)

I learn a lot watching C–SPAN. The other night, one of Washington's leading economists was asked about using the tax system to help reduce environmental damage. The response? It certainly would be difficult, because it would increase the ''tax burden.''

''Tax burden'' is a phrase with which we are all so familiar that we don't stop to think what it means—nor what it implies. At first blush it seems value-free. But plainly a ''burden'' is something to be lifted. We don't refer to the monies we spend on movies, popcorn, milk or shoes as ''burdens.'' We refer to them—and think of them—as expenditures, some (movies and popcorn) optional, others (food, shoes) necessary. We don't speak of our ''consumption burden.'' Why, then, a ''tax burden''?

Is it that our tax payments are not optional but our food expenditures are? That can't be it: We have to buy food. We can choose between steak and hamburger (or yogurt and tofu), but we can't choose between eating and starving. Indeed, the penalty for not eating far exceeds the penalty for nonpayment of taxes. yet we do not speak of the ''food burden.''

More likely, we think of taxes as a burden because we're not quite certain what it is we're buying when we pay them. We miss, somehow, the connection between our tax dollars and the fire protection, the highways, the security against foreign powers and the biomedical research that our dollars buy. The problem is that few of the benefits we derive can be seen, touched or smelled. Moreover, the benefits we derive from government expenditures most often accrue to everyone; they do not come packaged in discrete units—this box of defense for me, this piece of highway for you.

And many of us assume that we'd continue to get whatever it is we're getting from government even if we didn't pay our taxes. Without spending our dollars, we'd have no milk on our tables, but we can't really imagine that schools and roads would disappear if you and I didn't buy them with our tax dollars. Clearly, government doesn't determine how many potholes to fill only after it deposits our tax dollars. If I don't buy that book, that restaurant meal, that aspirin—or if I cheat on my taxes—does government really subtract from the pothole-fixing budget or the salaries of judges? That's a tough connection to make—but without that connection, my taxes come to seem irrelevant, hence unnecessary, hence a ''burden.''

Of course, no government program would suffer if you or I consumed less (and thus paid less in sales tax) or if I cheated on my return (and thus paid less in income tax). But if you and I both underpaid, everyone else would have to pay more. And it surely stretches language beyond acceptable usage to call not taking advantage of one's neighbors a ''burden.''

Burdens are by definition oppressive, and our facile use of the term in connection with our taxes thereby encourages us to do everything we can (within the law) to ease them. Cheating on our taxes comes to seem acceptable (at least understandable), even though tax evasion is precisely analogous to shoplifting. If we take fire protection, guarantees on educational loans, clean air and water but fail to pay for them, we are stealing.

Our language shapes our attitudes. To weigh appropriate tax and expenditure policies in difficult when our language encourages us to think of our taxes as burdens not connected to the benefits we derive from them.

Some weeks ago, I received a brochure encouraging me to open an IRA. In that brochure, a 1040 tax return was labeled ''pain,'' while the application for an IRA was labeled ''pain killer.'' By implication, taxes (like pain) are to be avoided. By implication, I can continue to enjoy the benefits of government expenditures without paying for them.

We can debate ''value for money,'' the wisdom of particular government policies, programs and expenditures. We can argue as to whether we're spending too much here, not enough there. But that debate is distorted if we enter it with the view that any government expenditure—which means my tax dollar—is inherently burdensome.

I feel as I do because I remember what Justice Holmes wrote in 1904: ''Taxes are what we pay for a civilized society'' and what Franklin Delano Roosevelt said in 1936, ''Taxes, after all, are the dues that we pay for the privileges of membership in an organized society.''

Now, at century's end, our economists tell us taxes are a burden, and our pension funds tell us taxes are a pain. Is it any wonder that our leaders vie to reduce the burden and the pain, even if in so doing our society becomes somewhat less organized and less civilized?●

GEORGIA O'KEEFFE COMMEMORATIVE STAMP

● Mr. BINGAMAN. Mr. President, today, on the historic plaza in Santa Fe, New Mexico, the United States Postal Service will unveil the Georgia O'Keeffe ''Red Poppy'' Commemorative Stamp. This stamp is a culmination of the work of many people to bring special recognition to the artist who is considered one of the foremost American artists of the 20th Century.

Although a native of Wisconsin, Miss O'Keeffe has been closely identified with New Mexico for nearly 70 years through her life and work. We are exceptionally proud of the fact that her love of our landscape was so wonderfully realized in her paintings.

Miss O'Keeffe found endless fascination in the bleached bones that dot the New Mexico deserts. The intense colors of common flowers, the vastness of the sky and the shape of the hills all were sources of profound inspiration. Her art expressed her vision. Because of her work, we can have a glimpse of what she saw.

When Georgia O'Keeffe died in Santa Fe on March 6, 1986, her work remained as a lasting testament to her talent and grace. She, like her work, was an American original, and I am very glad that the U.S. Postal Service has chosen to honor her in this way.●

TRIBUTE TO JOHN LIEBENSTEIN, SLAIN RICE COUNTY DEPUTY

● Mr. WELLSTONE. Mr. President, I rise to pay tribute to a very brave man, to Deputy John Liebenstein, 40, a nine year member of the Rice County Sheriff's Department in Minnesota.

Deputy Liebenstein sacrificed his life on May 3, 1996 in the line of duty. He was killed when a suspect, allegedly driving a stolen car, rammed his unmarked squad car on a freeway exit, following a high speed chase by police over forty miles through three counties.

It is a tragedy when any policeman falls in the line of duty. However, Deputy Liebenstein's untimely death had an immediate impact on the citizens of his tightly-knit Minnesota community.

John was a fine law enforcement officer who dedicated his life to defending the peace. Therefore, it was fitting when Governor Arne Carlson ordered all state flags to be lowered to half-staff in his honor.

Deputy John Liebenstein was also a loving husband, and a wonderful father. I extend my deepest, most heartfelt sympathy to his devoted wife, Jean and his three children.

He leaves a rich legacy of protecting the lives and property of his fellow citizens, and we will never forget this gallant man.●

HONORING THE LANGLEYS CELEBRATING THEIR 50TH WEDDING ANNIVERSARY

● Mr. AKAKA. Mr. President, I am delighted today to honor Norton and Joan Langley of Honolulu, Hawaii, who will celebrate their 50th wedding anniversary on May 28, 1996. The commitment to marriage is a solemn one, and the desire to remain united for half a century is laudable.

The Langleys met while teenagers and were married in 1946, after Norton returned from World War II with two Purple Hearts. In 1957, they traded life in San Francisco for Honolulu where they opened the first of their clothing stores, Casual Aire of Hawaii. Their flagship shop, located in the lovely Hilton Hawaiian Village Hotel in Waikiki, was featured in the opening shots of the first television series produced in Hawaii—''Hawaiian Eye.''

Two of their three children continue to reside in Honolulu where son, Larry, and daughter, Jodi, operate Casual Aire. Their eldest daughter, Nanci, resides in Virginia, and is a valued member of my staff. I wish this happy family all the best and congratulate them on the strength of their family ties.●

ON THE EVE OF RUSSIA'S PRESIDENTIAL ELECTIONS

● Mr. PELL. Mr. President, since the Soviet Union broke up in December 1991, Russians have undergone five very painful years of political and economic transition. Life is difficult and uncertain for many average Russians. In Russia's most recent elections, held last December, Communists gained control of the Russian legislature and pro-reform parties were marginalized. Earlier this year, that Parliament voted to abrogate the treaty which disbanded the Soviet Union. While rejecting the Parliament's vote, President Yeltsin is nevertheless pursuing closer ties with its former Soviet neighbors. President Boris Yeltsin has also made several key personnel changes in the last few months, dismissing some of the key reformers. War continues to rage in Chechnya. At the same time, Russia has agreed to adhere to stringent economic requirements to continue to receive funding from International Monetary Fund.

Against this backdrop, on June 16, in less than a month, Russians will go to the polls to elect a President. Whatever the outcome, this election will have profound implications for the course of reform in Russia, the future of democracy in Central and Eastern Europe and the former Soviet Union, the development of United States-Russian relations, and in fact, global stability.

I fear that we are not giving enough thought and attention to what is taking place in Russia and particularly to how the impending election might affect United States-Russian relations. Accordingly, majority and minority staff members of the Foreign Relations Committee were recently tasked with visiting Russia to get a sense of the issues and the candidates in the lead-up to the elections. They have prepared a report based upon their visit which I would commend to my colleagues.

The report makes no predictions about the outcome of the election. Rather, it presents some of the issues confronting the candidates and the electorate, including economic and key foreign policy issues. I would ask that the report summary be placed in the RECORD at the end of my remarks.

The bottom line is that no one can predict what will happen in Russia in the coming weeks and months. I believe, however, that it is important to be as informed as possible about developments in Russia so as to avoid uninformed or knee-jerk reactions to events there. I believe the committee staff report makes a useful contribution to the discussion.

I am pleased to note that the staff trip was conducted and the report was written on a bipartisan basis. I would like to thank Senator HELMS and his staff for the high level of cooperation they have offered on this venture. I know that we share the goal of supporting continued reform in Russia, and as Russia heads into a period of uncertainty, I am hopeful that we can continue to work together to promote that goal.

SUMMARY OF KEY FINDINGS

On June 16, 1996, the Russian Federation will hold Presidential elections. By any estimation, this election—just over a month away—will have profound implications for the course of reform in Russia, the future of democracy in Central and Eastern Europe and the former Soviet Union, the development of United States-Russian relations, and in fact, global stability. No clear favorite candidate has yet emerged.

The Russian presidential election comes in the wake of five very painful years of political and economic transition. Ironically, just as the Russian economy shows evidence of imminent growth, the Russian electorate's hostility to reform and pro-reform candidates is peaking.

The Russian people appear to fear change more than they dislike President Boris Yeltsin. However, voter discontent runs deep and nostalgia for the better, more stable and predictable times, whether based on reality or not, is the order of the day. Many equate

democracy with a breakdown of order, rampant crime and corruption, and oppression by the mafia.

At this point, it appears that the Communist candidate, Gennadiy Zyuganov, has the largest amount of support among the electorate. Zyuganov has a chameleon-like ability to tailor his message to a particular audience. It is, therefore, difficult to distinguish his true beliefs from his campaign rhetoric, and by extension to predict how the Communist Party, if it captures the Presidency, would manage the Russian economy, political system, and foreign policy.

Many in Russia conclude that an electoral victory by the Communists would inevitably result in dictatorship. Such fears may not be overblown: anecdotal information indicates that some reformers are keeping their exit visas current through the presidential election. The gloomier analysts even predict a prompt reopening of the gulags and the reemergence of political trials.

Two trends in the Russian economy may serve to sustain market reforms in Russia even if an anti-market candidate is elected President. The first is the growing base of small businesses. The second is the increasing flow of economic power to the regions.

President Yeltsin has predicted that he will prevail in the first round of the June 16 election, gathering enough of the vote to win the election outright. While such an outcome is nearly impossible, Yeltsin is widely viewed as a likely second place finisher—which is sufficient to get him into the run-off.

While President Yeltsin's core supporters within the electorate are outnumbered by those committed to the Communists, it is widely believed that he has much more opportunity to broaden his support as the campaign wears on.

Vladimir Zhirinovsky must be considered a serious contender if for no other reason than that he has consistently exceeded the expectations of most analysts. While he is reviled by most opponents, Zhirinovsky has a loyal, if somewhat fractious electoral base. His high negative rating makes his chances of victory near impossible. A widely split vote among pro-reform candidates, however, could propel him into the second round, thereby creating the nightmare scenario for Russia's democratic reformers: a runoff between Zyuganov and Zhirinovsky.

Grigory Yavlinsky considers himself to be the last, true democratic reform leader in Russia. Certainly, he is the last democrat with anything resembling a popular constituency in Russia today, although many question whether his popularity extends much beyond Moscow and St. Petersburg.

The key to Yavlinsky's electoral strategy is to build a coalition—the so-called ''third force''—with fellow candidates Svyatoslav Fyodorov and General Alexandr Lebed. The three—all of whom have collected the necessary one million signatures to be listed on the ballot—have tentatively agreed to support the most popular among them. The problem is that each of the three believes himself to be that person.

Aside from the campaign performance of the various candidates for the Presidential election, other factors which may influence the outcome include voter turnout and the ever present threat of fraud. Even if the June election is relatively fair, charges of fraud will likely be made by those who fail to make the second round.

Russian politicians readily admit that foreign policy will not play a major role in the upcoming presidential election campaign. That being said, Russia's identity and role in the world is a theme that all candidates are exploiting—and to which voters seem to be responding.

Given the resonance that nationalist themes have among the electorate, it is not surprising that the current government is emphasizing Russian integration with other countries of the former Soviet Union, rethinking its relationship with the United States, and opposing NATO expansion.

Russian officials go to great lengths to emphasize that the government is pursuing integration with its neighbors as distinct from reintegration. According to these officials, the distinction is that reintegration would imply a reimposition of a command economy and reestablishment of the Soviet Union, while integration implies a voluntary relationship on the model of the European Union.

After the break-up of the Soviet Union in December 1991, there was general euphoria in Washington and Moscow about the prospects for a United States—Russian partnership on a wide range of foreign policy, arms control, and other issues. By 1994, however, several events had occurred which collectively served to dampen enthusiasm in both capitals about the prospects for close United States-Russian cooperation.

Both Washington and Moscow had unrealistic expectations about the possibilities for United States-Russian relations. Still, many Russians, while readily admitting that things had changed, are reluctant to abandon the notion of a Russian-United States partnership—particularly on issues of mutual interest such as arms control and the fight against organized crime and terrorism.

Even those who admit to a cooling in relations with the United States point to United States-Russian collaboration in Bosnia as a success story and a model for future cooperation. Given previous United States-Russian divisions over Bosnia—with the Russians traditionally taking positions sympathetic to the Serbs—Russian satisfaction with the current IFOR arrangement is particularly noteworthy.

While Russian officials continue to voice their opposition to NATO expansion, their arguments are often contradictory and muddled. It is difficult to gauge whether apparent Russian apprehensions are genuine or calculated.

Russian officials offer an unapologetic though naive defense of Russia's relationship with Iran. They regard Russia's relations with Iran as normal, and perceive Iran neither as enemy nor ally. Russian officials completely dismiss suggestions that Iran may use technology acquired from Russia to develop a nuclear weapons program.

Russian foreign policy analysts are divided over whether close relations can be forged with the People's Republic of China. Nonetheless, despite this skepticism, many endorse expanded cooperation with China as a useful counterbalance to the United States on issues such as NATO expansion.●

TRIBUTE TO LIEUTENANT COMMANDER STEPHEN P. METRUCK, U.S.C.G.

● Mr. KERRY. Mr. President, I want to take this opportunity to express my sincere thanks to Lieutenant Commander Stephen Metruck who has served as my legislative assistant for oceans and fisheries issues for the past 2½ years.

Steve has done an outstanding job and has honored himself and the Coast Guard with his dedication and quiet dignity. His talents and the depth of his knowledge brought a unique perspective on the issues on which he advised me, and he will be missed. I know that the Coast Guard needs to retain officers with his experience and capability and Steve's dedication to the Service compels him to return to the field, but I would welcome his permanent service in my office. Our loss is the Coast Guard's gain, and Steve will be leaving my staff shortly to return to serve as the Executive Officer of the Coast Guard Marine Safety Office in Buffalo, NY.

Steve came to my staff on detail from the United States Coast Guard to assist me with my work on the Senate Commerce Committee Subcommittee on Oceans and Fisheries. As Ranking Member of that Subcommittee—and in my prior role as Vice Chairman of the subcommittee's predecessor, the National Ocean Policy Study—I had planned to sponsor a number of important legislative measures including the reauthorization of the Magnuson Fishery Conservation and Management Act and was pleased to gain someone with Steve's experience and expertise in marine safety and environmental policy.

For over 2½ years, Steve has been a crucial part of my legislative team. I have come to rely on his expertise in Coast Guard, marine, coastal and fisheries issues. As we all know around here, it is critical to have staff that can produce high quality work under short deadlines and with constantly shifting priorities. Steve was a master juggler. He was a quick study and in short order he began to work closely with Committee staff where he helped

draft several bills and amendments, including the omnibus rewrite of the Magnuson bill as well as innumerable floor statements, memos and letters.

Another key aspect for any staff in my office is to provide courteous and helpful constituent service. Steve demonstrates an amazing ability to be sensitive yet fair to all parties involved in an issue. I believe that most of my constituents—fishermen, coastal residents, environmental activists and others—who he has served would agree that he is always extremely helpful and treats everyone equally and with respect.

As he leaves to continue his duty with the Coast Guard, I join the members of my staff and everyone who has had the pleasure to work with Steve Metruck during his time in the United States Senate in wishing him well in his service. I know Steve will continue to honor his uniform, his country, and his family with the decency, intelligence, and integrity he brought to his service on my staff. He is to be commended for his deep and abiding belief that we must do everything we can to responsibly protect and preserve the environment. Good luck, Lieutenant Commander Stephen P. Metruck, and thank you for a job well done.●

CONGRATULATING THE UNIVERSITY OF NORTH DAKOTA FLYING TEAM

Mr. CONRAD. Mr. President, I would like to offer my sincere congratulations to the men and women of the University of North Dakota Flying Team, who recently captured their third consecutive national championship at the National Intercollegiate Flying Association's 48th annual Safety and Flight Evaluation Conference in Daytona Beach, FL.

The championship places an emphasis on safety, and is comprised of nine different events that test a variety of aviation skills, both on the ground and in the air. In addition to scoring an overall win, UND was first in combined scoring for the five ground events, and second in the Judges Trophy, which is awarded on the basis of a team's overall depth.

A national championship is clearly a tremendous accomplishment, and I commend each and every member of the team. Although a significant achievement, I want my colleagues to know that this is only the most recent triumph for what has been without question the most successful NIFA team in the country. This year's national championship is the UND Flying Team's tenth in the last twelve years, and the fifth for retiring team coach John Bridewell.

This victory was a team effort from start to finish, but several individuals deserve special recognition. Mike Smieja placed first in Aircraft Recognition, the fourth time he has won that event at the national tournament. Larry Freer was another repeat winner, taking first place in Simulated Comprehensive Aircraft Navigation (SCAN) for the second consecutive year. Freer also placed seventh in Simulator Flying. Robert Shaw captured second place in Computer Accuracy, and Susan Bailey took home second place in the message drop, in her very first competition.

This victory and the women and men who made it possible are a credit to the university and UND's Center for Aerospace Sciences, an internationally recognized center for aerospace learning. I am proud of every member of the team, and offer special congratulations to coach Bridewell, who is ending his distinguished tenure with yet another championship. Every member of the team and coaching staff deserve recognition, and I am pleased to submit a complete list for the RECORD.

The list follows:

1996 UND FLYING TEAM

Team Members: Bill Bailey (senior, Rogers, MN), Susan Bailey (sophomore, Sutton, ND), Shannon Bengeyfield (sophomore, Dillon, MT), Chris Farmer (co-captain, senior, Bluefield, WV), Larry Freer (junior, West Palm Beach, FL), Mike Galante (co-captain, senior, Champlin, MN), Brian Jackson (junior, Sioux Falls, SD), Joshua Kendrick (senior, Lino Lakes, MN), Aleah Longshore (sophomore, Settler, Alberta, Canada), Robert Shaw (senior, Naperville, IL), Mike Smieja (senior, Wells, MN), Juliana Stops (sophomore, Buffalo Grove, IL), and Chris VanGinkel (senior, Maurice, IA).

Coach: John Bridewell.

Assistant Coaches: Drew Avery, Spencer Henderson, Jim Higgins, Mark Johnson, and Al Skramstad.

Mr. BOND addressed the Chair.

The Senator from Missouri is recognized.

(The remarks of Mr. BOND pertaining to the introduction of S. 1816 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

ARTS, LETTERS, AND POLITICS

Mr. MURKOWSKI. Mr. President, I thank the Chair. An interesting fundraising letter came to my attention. It was written by actress Priscilla Presley, Elvis Presley's former wife.

Accompanying the letter was another from actor, Robert Redford.

These letters are promoting a special evening of ''Arts, Letters and Politics'' in Beverly Hills benefiting a group called ''Americans for a Safe Future.''

During this special star-studded evening, there will be a lavish reception, followed by a ''program of celebrity prose and poetry readings'' by movie stars Ed Harris and Amy Madigan. The Master of Ceremonies will be Ed Begley, Jr.

Other names on the letterhead include such Hollywood luminaries as rock star Don Henley and TV producers Gayle Hurd and Gary Goldberg.

For as little as $250 or as much as $5000, one can attend this glittering fund raising event at the beautiful Chateau Marmont in Beverly Hills.

The letter goes on to note that proceeds from this fund raising event will benefit Americans for a Safe Future and ''its continuing efforts to protect our environment, our children, and our future from radioactive contamination.''

Well, Mr. President, I want to protect our environment, our children, and our future from radioactive contamination.

We all do.

But I will not be making a contribution to this group.

I will not be sending a check.

I will not be going to Beverly Hills to listen as movie stars read poetry.

Because this group is on the wrong side of the environment, Mr. President.

They are actually opposing what they claim to uphold.

While these movie stars claim to be protecting our children from radioactive contamination, their efforts are inadvertently exposing our children to radioactive contamination.

I am not suggesting that these movie stars want to do this because of a lack of intention.

I am sure they are well meaning. I am certain they think they are doing the right thing.

But they are misinformed, and they are harming those they really want to protect.

''Americans for a Safe Future'' claim they are protecting the Colorado River from the low-level radioactive waste facility planned for Ward Valley in the Mojave Desert.

If the Ward Valley site is built, they say radioactivity from Ward Valley will leak into the Colorado River.

Robert Redford says so.

Ed Begley, Jr. says so.

Priscilla Presley says so.

Don Henley says so.

That is all some people need to hear to reach for their checkbooks and take up the cause.

Sadly, some are content to get information about radioactive waste and desert hydrology from rock singers and movie stars, even if prominent and distinguished scientists say otherwise.

I want to refer to this chart, because it speaks for itself. There are the Hollywood movie stars, and here are the scientists who risk their reputation in saying that Ward Valley is unlikely to leak radioactivity into the Colorado River. Where are you going to put this waste? Nobody wants it. California has met the Federal laws that we set up to allow them to do it. This is the site the National Academy of Sciences has recommended, and here we are listening to movie stars raising money that it will not be there, but they do not propose to put it anywhere.

Mr. President, I believe we ought to listen to geologists and hydrologists when the subject is radioactive waste and desert hydrology, and we ought to listen to movie stars when the subject is, well, movies.

Sadly, the activism of movie stars has temporarily eclipsed the findings of scientists.

Secretary Babbitt is ignoring the National Academy of Sciences report that he himself commissioned and the taxpayers paid for—and we are at an impasse today.

And because of that impasse, low-level radioactive waste is piling up at 800 sites around California, including most major colleges and hospitals.

Some of the sites are in densely populated areas, vulnerable to accidental radioactive releases from fire, flood or earthquake.

''Americans for a Safe Future'' are headquartered in Santa Monica, according to their letterhead. I asked my staff to review the 2,106 radioactive materials licenses in California, and they quickly found 13 in Santa Monica. There are 432 in Los Angeles County. And yes, some are even in Beverly Hills.

Do these activists and movie stars know that radioactive waste is piling up in California neighborhoods, hospitals and college campuses, because they are standing in the way of a facility in the remote and unpopulated desert?

Do they know that fire, earthquake or flood could result in a release of radioactive materials from these sites?

Are they suggesting we halt cancer treatment or AIDS research that uses radioactive materials?

Mr. President, these activists and movie stars may be sincere, but they are sincerely wrong. They do not realize the effect of their activism. They are endangering the environment and their communities while they intend to do the opposite.

Mr. President, like most Americans I like to go to the movies and see talented actors and actresses practice their craft.

And as talented as these actors and actresses are, the are not experts in the field of hydrology or radioactivity.

Nor am I. That is why I rely on experts. And the experts of the National Academy of Sciences have spoken.

Ward Valley is safe. Let us get the waste out of populated neighborhoods, and out to a monitored site in the remote desert where it belongs.

I urge these movie stars who lend their names and talents to these causes to examine the facts and the scientific evidence about Ward Valley, and to reconsider their actions.

I know that they want a safe future. We all do.

But I do not believe we need to trade a safe present to achieve that goal. A single, licensed, monitored disposal site at Ward Valley will not only result in a safe future—but it gets the waste being stockpiled in hospitals and college campuses out of our neighborhoods and away from our children today.

I urge my colleagues to cosponsor a bipartisan bill Senator JOHNSTON and I have introduced to end the impasse: S. 1596, the Ward Valley Land Transfer Act.

Let us listen to science, and end this stalemate.

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

I see other colleagues seeking recognition.

I wish you a pleasant recess, Mr. President.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

THE VOID IN MORAL LEADERSHIP—PART X

Mr. GRASSLEY. Mr. President, last week, attorneys for the President of the United States filed an appeal with the Supreme Court to delay the sexual harassment lawsuit filed against him by Paula Jones. Ms. Jones is a former Arkansas State employee.

The President's strategy is to try to delay the lawsuit until after he leaves office. among the reasons he cites for the need for delay is the Soldiers' and Sailors' Civil Relief Act of 1940. This law lets those who serve in the military postpone civil litigation until the subject's completion of active duty military service.

Columnist Maureen Dowd writes about this issue in this morning's, New York Times. She says it is a move ''that marks a new level of chutzpah in American politics.'' She says, ''As a society, we haven't preserved our sense of shame. But Bill Clinton is doing his best to preserve our sense of shamelessness.''

Why is this? Ms. Dowd goes on to explain: ''* * * Mr. Bennett (the President's attorney in the case) is getting paid too much to make the hideous mistake of reminding the public of one of Mr. Clinton's improvidences (his maneuvering on the draft) in defense of another (his wandering eye).'' That is a quote from Maureen Dowd's column in today's issue of The New York Times.

In a ''Dear Colleague'' letter dated May 21, BOB STUMP, the chairman of the House Committee on Veterans Affairs, also addressed this issue of the President allegedly serving in the armed forces. Mr. STUMP, I might remind my colleagues, was once a member of the President's own party. Here is what Mr. STUMP says, speaking about the President's use of the 1940 act:

> This ignoble pleading is a slap in the face to the millions of men and women who either are serving on active duty, or have served on active duty in the armed forces of the United States. In 1969, President Clinton ran away from his military obligation, dodging the draft, claiming that he 'loathed the military.' Now, President Clinton by claiming possible protection under The Soldiers' and Sailors' Civil Relief Act, makes a mockery of the laws meant to protect the honorable men and women who serve their country in the armed forces of the United States.

Mr. President, I have given a series of statements on this floor regarding the President's absence of moral leadership for this country. I have been very specific about when he has failed to set a good example for those he serves and leads. I have been specific about how he says one thing and does another.

I think moral leadership, from my definition, is doing what you say you are going to do.

This is yet another example—this use of the Soldiers' and Sailors' Civil Relief Act of 1940—where the President of the United States, albeit a citizen, is indeed the Commander in Chief, but he probably is not doing what the intent of the law is. The Constitution empowers him, of course, to be their leader.

With that power, he has responsibilities. Responsibilities to set the best possible example for those in the military.

The U.S. Navy has recently undergone enormous public criticism. One of the most damning incidents was sexual harassment associated with Tailhook. Congress and the public have put great pressure on the Navy to assign responsibility and accountability for that outrageous behavior. Admirals and captains could not hide behind loopholes, helped by clever lawyers, to avoid accountability. They had to face trial, and take responsibility for their actions.

In his appeal to the Supreme Court, the President would like to avoid taking that responsibility. What kind of message does that send to the men and women he leads as Commander in Chief?

Is not the mark of a true leader one who would do the same that he asks of those he leads? How can a leader have one standard for himself and another for everyone under him—a double standard? Is this setting a good example? Is this leadership? And what kind of military would we have if our officers chose to follow their leader, in this case the Commander in Chief, and avoid responsibility in the same way? Well, of course, you know the answer. The integrity of the military would be severely compromised.

Mr. President, this is a good illustration of why moral leadership in a President is so important, just as Franklin Delano Roosevelt observed. I have quoted him so many times on this floor in this series of speeches that I am not going to quote him again, but FDR laid out very clearly that if there is anyplace you are going to question a President, it is his moral leadership. In this President, there is a fundamental lack of moral leadership.

It has a corroding effect on the public's trust in their Government and authorities. It breeds cynicism. That is my great fear, and that is why I have reluctantly taken the floor recently with my observations about the President not doing what he said he would do.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from North Dakota.

CRITICIZING THE PRESIDENT

Mr. DORGAN. Mr. President, I must observe before I speak briefly about what I intend to speak about, the Senator from Iowa does not seem so reluctant; he says he reluctantly takes the

floor, and he certainly has been persistent, and today at least he has taken the floor criticizing the President for what he has not done.

The minority leader just finished reading the statement in the Chamber that describes accurately the circumstances of the filing on behalf of the President, and it categorically rejects the assertions just made by the Senator from Iowa. But it is an even-numbered year. We all know what that means. And being President certainly means you are subject to criticism. I understand that, as do others who serve in public office. I believe the American people understand all of us have things about us that are positive, things that are not so positive perhaps. None of us are perfect.

This President, like President Bush and President Reagan, President Carter and others before them, I suspect, resides in the White House trying to figure out how to do the best job he can to move this country forward and serve the best interests of this country.

It is easy to be critical. I hope all of us would understand that the job of the President of the United States is a tough job. It is tough for Republicans and tough for Democrats. This is a country with a lot of good and a lot of opportunity, and I hope all of us can work together to help this President and future Presidents realize that opportunity.

NATIONAL MISSILE DEFENSE

Mr. DORGAN. Mr. President, I take the floor to say that it appears to me we may be talking about National Missile Defense or the Defend America Act very soon. Perhaps it will even be laid down before we finish tonight so there is a cloture vote when we come back. I am not sure.

I want to observe—and I have done this for years that I have been in Congress—that we just finished a budget in which there was a lot of talk about reducing the Federal deficit, the need to reduce Federal spending, and the Defend America Act, or the National Missile Defense Program, is a program, according to the Congressional Budget Office, that just to build—not to operate, just to build—will cost between $30 billion and $60 billion. Now, the operational costs will be much, much greater than that.

It seems to me the funding question ought to be posed and ought to be answered by those who bring a spending program to the floor of the Senate that says let us spend up to an additional $60 billion more on a program that I do not think this country needs because the National Missile Defense Program, or the Defend America Act, will not truly be an astrodome over our country that will defend us against incoming missiles. It presumes that we should build a defense against ICBM's in the event a rogue nation would launch an ICBM with a nuclear tip against our country, or in the event there is an accidental nuclear launch against our country.

Of course, a nuclear device might very likely come from a less sophisticated missile like a cruise missile. We have thousands and thousands and thousands of cruise missiles proliferating this world. They are much easier to get access to. A nuclear-tipped cruise missile is a much more likely threat to this country than the ICBM, or perhaps a suitcase and 20 pounds of plutonium and the opportunity to turn it into a nuclear device, or perhaps a glass vile no larger than this with the most deadly biological agents to mankind.

Of course, we will spend $60 billion on a star wars program, at the end of which it will be obsolete and will not protect this country against that which we advertise we need protection.

We had an ABM system built in North Dakota. Billions and billions of dollars in today's money went into that in northeastern North Dakota. It was declared mothballed the same month it was declared operational. In other words, the same month they declared operational a system which they said we desperately needed they decided would no longer be needed, and it sits up there as a concrete monument to bad planning. It was an expenditure of the taxpayers' money that, in my judgment, need not have been made.

Now we are told that we have the need for a national defense program, or Defend America Act, of some type that will defend us only against a very narrow, limited threat, not a full-scale nuclear attack from an adversary, because it will not defend us against that, will not defend us against a nuclear attack of cruise missiles. It cannot do that. It will not defend us against a nuclear attack by a terrorist nation putting a nuclear bomb in a suitcase in the trunk of a Yugo car, a rusty old Yugo at a dock in New York City. But we are told $60 billion to build and how many tens of billions of dollars to operate is what is necessary.

I say to those who will bring that to the floor, while you do that, please bring us a plan telling us who is going to pay the tax to build it. Where are you going to get the money? Who is going to pay the tax? And then describe why that is necessary and the fact when you get done you have not created the defense for America you say you are going to create.

There are many needs that we have in this country in defense. Many remain unmet. This kind of proposal ranks well down, in my judgment, in the order of priorities. If it is technologically feasible to be built to protect this country, it ranks well down in the order of priorities. My hope is that we will have a full, aggressive, interesting debate on this because it is not a debate about pennies. It is a debate about a major, sizable spending program, new spending program at a time when we are trying to downsize and at a time when we are talking about the need to control Federal spending.

Those who bring this to the floor of the Senate have an obligation to tell us how it is going to be paid for. The announcement of this so-called Defend America Act was made at a press conference recently, and the question was asked: Where do you get the money for this? And the answer at the press conference by Members of the Senate was: Well, we will leave that to the experts.

No, it will not be left to the experts. This Congress will have to decide who pays for a new Federal spending program that will cost $60 billion plus and after being built will not in fact defend this country against a nuclear attack.

There are many needs that we have in our defense system in this country. Some worry that we are in a circumstance where we will decide to downsize in defense too much: We will be unprepared to meet an adversary; we will be unprepared to meet a threat.

I understand that. I understand this country has gone through this in previous periods, and I do not want us to be in that position. But I also understand that in every area of the armed services there are weapons programs that simply seem to have a life of their own and they tend to build and build, and they become not so much a justifiable program that is necessary to defend our country, but they become a program that is supported by a range of politicians and corporations and other interests that give it a life of its own, even when it becomes unnecessary or when the science and the technology demonstrate it is not needed.

I hope we will have an aggressive discussion about this, about the threat and about the amount of proposed expenditure, and about who is going to come up with the money, and especially about whether, in fact, this is needed for this country's defense.

Mr. President, I thank you for your indulgence. I yield the floor, and I make a point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

THE INTERSTATE STALKING ACT

Mrs. HUTCHISON. Mr. President, I want to talk about a bill that I hope we can clear tonight in the Senate because it is a very important bill that will begin to protect the victims of stalking all over this country. You know, we did not really know much about stalking until the last few years. That is because it was a hard crime to pin down. Stalking is threats. It is harassment. It is the constant terrorizing of a victim, whether the act that is said would be done is actually perpetrated or if, sometimes, it is not. But whether it is or is not, it is a very tough thing for a

victim to continue to be in fear, to wonder, ''Am I going to have someone stick a knife in my back? Am I going to be able to walk in my neighborhood without fear? Am I going to be able to go to sleep at night without fear?''

Then, in fact, we have found that the victims of this stalking actually become victims sometimes. When Congressman ED ROYCE and I started working on this we had a press conference in which we had some incredible stories of stalking victims. A woman from California who was constantly threatened, who moved to Florida to escape this stalking from this person that she really did not know and who was clearly demented—she moved to Florida and one night did become a victim. The person broke into her home and threatened her with a knife. She did get away without injury.

But then there was the stalking victim whose husband was outside with his wife and she was shot to death, he was shot, and this was from a person who had constantly threatened his wife. So they could have prevented it if there had been some way to do it, but, in fact, there was no way to do it because stalking was not a crime until recently.

Now we have the situation in which you have the stalking in one State, the person moves to another State, and they do not have the coverage in the other State because the actual harassment was in the first State and when it happened in the second State you had to establish it. The Interstate Stalking Act will make it a Federal crime to cross State lines to do the State crime of stalking. It does not make stalking a Federal crime, but it does make crossing State lines to do it, when it is a crime, a crime. That would give protection to the woman who moved from California to Florida. It will give protection to more of the people who have had the terrorizing experience of being constantly barraged by threats from another person. Many people in public life have had this experience. It is a scary thing to happen. To live in fear most of the time, or some of the time, is something we do not have to put up with in our society.

This is a bill that passed unanimously in the House a couple of weeks ago. It was passed out of the Judiciary Committee today on a very bipartisan basis. I thank Senator HATCH and Senator BIDEN for expeditiously having hearings on this bill and putting it through the committee. Now I am very concerned because I thought this would be a bill that would not cause any problem and I would, of course, like to see it go through tonight because I think the President will sign this bill. I think the President is going to see the need for this bill. I think if he can sign it before we come back from the Memorial Day recess, that that might save a life. It might save a victim from being harassed. It really might help a victim. If it helps one victim in this country, then why not do it?

If we pass it tonight, it will go straight to the President because the bill is in the form that it passed the House. This should not be a tough bill.

I am asking my colleagues on the Democratic side to clear this bill. We thought that it was cleared. Perhaps it was not. Perhaps they can make a phone call, if someone has a concern on their side. I think we ought to be able to do what is right. This is a bill that ought to pass. It is a bill that has merit. It is a bill that is not controversial or it would have been stopped before now.

So I hope my colleagues on the other side of the aisle will see fit to find out if there is a real problem with this bill. Or if it is a problem with something else, perhaps they will clear this bill, because it might save one life. It might save one person from being victimized and it would be worth it if we could do that.

This is a bill that passed along with Megan's law on the House of Representative's side. Megan's law has already been signed by the President. This will allow victims of any kind of domestic violence harassment or if it is not a domestic partner or a spouse but a stranger who is doing the harassment, it will also provide protection if a person crosses State lines to do that.

Mr. President, I hope it is not too late tonight. I would like to see this bill cleared because it is important. It is the right thing. It is bipartisan and I think there may be something on the other side that could easily be worked out.

I just ask my colleagues on the Democratic side of the aisle to expedite this. We might save a life and it would be worth it.

The PRESIDING OFFICER. The majority leader.

DEFEND AMERICA ACT

Mr. DOLE. Mr. President, yesterday President Clinton acknowledged—belatedly—that the post-cold-war era presents us with new national security challenges. He stated, ''The end of communism has opened the door to the spread of weapons of mass destruction * * *.'' Unfortunately, while the President is finally willing to recognize the threat posed by the proliferation of weapons of mass destruction, he remains unwilling to seriously respond to it—with progress, as opposed to pronouncements—on national missile defense.

Most Americans do not know—let me underscore—most Americans do not know that the United States has no defense against ballistic missiles. If you were to ask the average American, in fact to ask anybody in this Chamber unless they are on the Armed Services Committee, they might not know. If you were asked a question, ''If a missile, an incoming missile was headed toward Chicago, what should the President of the United States do?'' and the people will tell you in these little focus groups, ''Shoot it down''—we can't. We don't have a defense. So, if a rogue state such as North Korea launched a single missile at the United States, we could do nothing to stop its deadly flight towards an American town or city.

In his speech yesterday President Clinton pointed to his $3 billion budget request for missile defense programs as evidence of a ''strong, sensible national missile defense program.'' This happens to be 21 percent less than the President's own national security advisers proposed in their Bottom-Up review of U.S. defense needs. It is also 30 percent less than what the Senate Armed Services Committee provides in this year's defense authorization bill. In short, it is not enough for a determined and effective effort to defend the American people from the threat of ballistic missiles.

President Clinton attacked the Defend America Act, which I introduced 2 months ago, claiming:

> They have a plan that Congress will take up this week that would force us to choose now a costly missile defense system that could be obsolete tomorrow.

This is simply not true. The Defend America Act only forces to commit now to deploy a national missile defense system by the year 2003. The choice of what type of system is left up to the Secretary of Defense who will report back to the Congress on the requirements for an effective ballistic missile defense system. And making a decision to go forward with missile defense now will not, as the President argued yesterday, lead to America deploying an obsolete system.

The programs we currently have in development can serve as the building blocks for a system that meets the missile threat as it emerges. Furthermore, as with the procurement of any weapons system, moving from development to deployment requires lead time. You cannot do it in a week or a year or 18 months. It does not happen overnight. The President's assertions contradict those of his own Secretary of Defense, who recently stated that these technologies ''would be quite capable of defending against the much smaller and relatively unsophisticated ICBM threat that a rogue or a terrorist could mount any time in the foreseeable future.''

That is the Secretary of Defense.

I would like to address the issue of cost. There has been quite an uproar about a Congressional Budget Office estimate of the cost of deploying a national missile defense system pursuant to the Defend America Act. The CBO stated that total acquisition costs for the year 2010 would range from $31 billion to $60 billion, if such a system largely consists of advanced space-based components. However, the Defend America Act does not specify any required components of a national missile defense system to include space-based components. On the other hand, the CBO says that a ground-based system with upgraded space-based sensors

would run around $14 billion. Section 4 of the Defend America Act states:

The Secretary of Defense shall develop for deployment an affordable and operationally effective national missile defense system which shall achieve initial operational capability by the end of 2003.

The decision on what is affordable and effective is left up to the Secretary of Defense. What I would like to know is how CBO estimated a national missile defense system whose components are unknown. It seems to me that the CBO approach was somewhat like a family deciding they are going to buy a house and being told by a real estate agent that it will cost them anywhere between $40,000 to $4 million. That is the range.

That is true, houses come in many prices. There are two-bedroom homes and then there are the mansions and the couple's decision would come down to what they need and what they can afford. Those are the same guidelines we need to use here. What does the United States need to protect its citizens, and how can it best be done and how can we achieve this protection in an affordable manner?

Outlining these estimates are a good way to avoid a serious debate on a most serious issue. The American people deserve better, because we are talking about the safety and security of their children and their grandchildren and themselves.

You would not know, if you follow some of the press coverage of this issue, that the cold war is over.

We do not need a so-called space shield to defend against an attack of thousands of missiles. We do, however, need to defend the American people against the much more limited threat of an accidental launch or an attack by rogue and terrorist regimes, such as North Korea and Iran, who are acquiring a limited, but deadly, capability to deliver weapons of mass destruction with ballistic missiles.

As President Clinton's former Director of Central Intelligence testified, the threat of ballistic missiles is growing and the administration is not addressing this frightening reality. This is President Clinton's former Director of the CIA.

In his testimony before the House National Security Committee, James Woolsey stated:

Ballistic missiles can, in the future they increasingly will, be used by hostile states for blackmail, terror, and to drive wedges between us and our allies. It is my judgment that the administration is not currently giving this vital problem the proper weight it deserves.

Through budgetary scare tactics and skewed analysis, the administration is trying to confuse this issue and avoid answering the central question of whether or not the American people should be protected. By seeking to proceed to the Defend America Act today, I hope to move beyond rhetoric and misinformation to a serious debate on a critical matter affecting the future security of all Americans.

I believe the number one responsibility this Government has to its citizens is to provide them with protection. That is what the Defend America Act is all about.

So, again, let me repeat the question: If you had an incoming ballistic missile and you ask somebody in my State or any State, What should the President do, they would say, ''Shoot it down.'' And your response would have to be, ''We cannot. We have no defense.''

I suggest those who say it is a decade away go back and look at some of the predictions made in the past. I believe we have that obligation. When we talk about the cost, $14 billion is a lot of money, but so would be the human cost and any added cost if some rogue state or some accidental launch directed a missile toward the United States.

UNANIMOUS CONSENT REQUEST—S. 1635

Mr. DOLE. I now ask unanimous consent that the Senate turn to the consideration of calendar No. 411.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOLE. Let me identify that as S. 1635, the ''Defend America'' bill.

CLOTURE MOTION

Mr. DOLE. Mr. President, I now move to proceed to S. 1635 and send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 411, the ''Defend America'' bill:

Bob Dole, Strom Thurmond, John Warner, Trent Lott, Bob Smith, Rick Santorum, Jesse Helms, Kay Bailey Hutchison, Dan Coats, Dirk Kempthorne, John McCain, Jon Kyl, Pete V. Domenici, Bill Cohen, Lauch Faircloth, Ted Stevens.

Mr. DOLE. Mr. President, I ask unanimous consent that the cloture vote occur at 2:15 p.m. on Tuesday, June 4, and that the mandatory quorum under rule XXII be waived.

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

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

INTERSTATE STALKING

Mrs. HUTCHISON. Mr. President, I have just been informed that the Democratic side is not going to be able to clear the interstate stalking bill tonight. I ask that they do everything possible to see if tomorrow, when we are in session, if we can do what is necessary to clear this bill. It could really make a difference if we can pass it tomorrow, even if there is an amendment and we need to have that cleared with the House, if it is a sincere amendment. I would certainly like to work with the other side to put that on and try to get it cleared by the House next week so we can pass this expeditiously.

It really might make the difference for a victim in this country who has had no remedy. It really might make life better for some child who is a victim who has no remedy. Mr. President, I think it is incumbent on us to be sincere in our efforts when we are dealing with something that is clearly bipartisan. I do not think that it should be held up unless there is a very good reason.

Most of the Senate has looked at this bill. The Judiciary Committee passed it very easily. It passed unanimously in the House, and I just hope whoever has a hold on this bill will let it go. It is a good bill, it is a simple bill, and the timing really could make the difference in someone's life in this country. It would be worth it if we could clear it tomorrow.

Thank you, Mr. President.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

THE DEFEND AMERICA ACT OF 1996

Mr. THURMOND. Mr. President, I am proud to be a principal cosponsor of the Defend America Act of 1996. This legislation will fill a glaring void in United States national security policy by requiring the deployment of a national missile defense system by 2003 that is capable of defending the United States against a limited, accidental, or unauthorized ballistic missile attack.

Mr. President, ironically, most Americans already believe that we have such a system in place. This assumption is understandable since, under the Constitution, the President's first responsibility is to provide for the defense of the American homeland. Unfortunately, the current President has decided that this obligation is one that can be indefinitely delayed. In my view, the time has come to end America's complete vulnerability to ballistic missile blackmail and attack.

The President and his supporters in Congress have argued that there is no threat to justify deployment of a national missile defense system. This is simply not true. The political and military situation in the former Soviet Union has deteriorated, leading to greater uncertainty over the control and security of Russian strategic nuclear forces. China's recent use of ballistic missiles near Taiwan, and veiled threats against the United States, clearly demonstrates how such missiles can be used as tools of intimidation

and blackmail. North Korea is developing an intercontinental ballistic missile that will be capable of reaching the United States once deployed. Other hostile and unpredictable countries, such as Libya, Iran, and Iraq, have made clear their desire to acquire missiles capable of reaching the United States. The technology and knowledge to produce missiles and weapons of mass destruction is available on the open market.

It is also important to bear in mind that a national missile defense system can actually discourage countries from acquiring long-range missiles in the first place. In this sense, we should view national missile defense as a powerful non-proliferation tool, not just something to be considered some time in the future as a response to newly emerging threats.

The policy advocated in the Defend America Act of 1996 is virtually identical to that contained in the fiscal year 1996 defense authorization bill, which was passed by Congress and vetoed by the President. Like the legislation vetoed by the President, the Defend America Act of 1996 would require that the entire United States be protected against a limited, accidental, or unauthorized attack by the year 2003. It differs from the vetoed legislation in that it provides the Secretary of Defense greater flexibility in determining the precise architecture for the system.

The Defend America Act of 1996 urges the President to begin negotiations to amend the ABM Treaty to allow for deployment of an effective system. But it also recommends that, if these negotiations fail to produce acceptable amendments within 1 year, Congress and the President should consider withdrawing the United States from the ABM Treaty. Nothing in this legislation, however, requires or advocates abrogation or violation of the ABM Treaty.

Mr. President, it is important to point out that in 1991, Congress approved, and the President signed, the Missile Defense Act of 1991, which established policies similar to those advocated in the Defend America Act of 1996. Like the Defend America Act, the Missile Defense Act of 1991 called for deployment of an initial national missile defense system by a date certain and provided for a follow-on system. Both also urged the President to begin negotiations to amend the ABM Treaty.

Although there are clear differences between the Defend America Act of 1996 and the Missile Defense Act of 1991, I believe that these similarities are worth pointing out. A number of my colleagues on the other side of the aisle are now saying that they oppose a policy to deploy by a date certain. But this is what we did in the 1991 Act. Several of these same Senators now also seem to be opposed to any amendments to the ABM Treaty, even though the 1991 Act clearly urged to the President to negotiate such amendments.

Mr. President, it has been asserted that a commitment to deploy a national missile defense system might jeopardize the START II Treaty. But the Missile Defense Act of 1991 was signed into law at the same time that negotiations on the START I Treaty were being concluded. Indeed, at the same time that START I was being finalized, Russian President Yeltsin proposed that the United States and Russia cooperate on a ''Global Defense System''. I find it hard to believe that anything in the Defend America Act would jeopardize START II any more than the Missile Defense Act of 1991 jeopardized START I. Those who make this assertion are simply giving Russian opponents of START II another excuse to oppose the agreement.

Mr. President, opponents of the Defend America Act have also argued that it would lock us into a technological dead end; that in 3 years we may have better technology available to do the job. The fact is that there are no technologies in development other than those identified in the Defend America Act. The Administration's so-called ''three-plus-three'' national missile defense plan relies on the exact same technologies that would be employed if the Defend America Act were passed. The only difference is that under the Defend America Act, development of those technologies would be accelerated. Once again the Administration and its congressional allies are just making excuses for not getting on with the business of defending America.

Mr. President, the last issue I want to deal with is the question of cost. We have heard some rather careless assertions made about the cost of the Defend America Act. It is true that if the Secretary of Defense decided to deploy a constellation of space-based lasers, a constellation of ''Brilliant Pebbles'' space-based interceptors, a constellation of ''Brilliant Eyes'' space-based sensors, and 300 or 400 ground-based interceptors at multiple sites the cost could be as high as $60 billion over the next 15 to 20 years. But Mr. President, under the Defend America Act, the Secretary of Defense could also select a more modest deployment that could be achieved for $5 to $10 billion. The Air Force and the Army both have developed such low-cost proposals. According to the Congressional Budget Office, a system consisting of 100 ground-based interceptors, four new ground-based radars and a constellation of Brilliant Eyes sensors would cost approximately $14 billion over the next 6 years.

These are clearly affordable costs when compared with the costs associated with other major items in the defense budget. An entire national missile defense system could be acquired for less than an additional 20 B–2 bombers. The cost would be about the same for the Corps SAM theater missile defense system, which the administration strongly supports even though we already have four core theater missile defense systems in development to protect forward deployed forces.

In my view, those who assert that we cannot afford an NMD system have simply gotten their priorities wrong. With an annual defense budget of $260 billion to $270 billion, it is irresponsible to argue that we should not spend $1 billion per year on the defense of the American homeland.

Mr. President, let me conclude by saying that the Defend America Act of 1996 is balanced and timely legislation. I understand that opponents of this legislation do not want to allow the Senate to vote on this issue. But the President will not be able to hide from it. If the President's allies in the Senate stand in the way of a vote on the Defend America Act to protect him from having to sign or veto this legislation, the American people will nonetheless know who stands for their defense and who does not.

Mr. President, I yield the floor.

DEFEND AMERICA ACT INCREASES NUCLEAR THREAT

Mr. LEVIN. Mr. President, while the stated intent of the so-called Defend America Act is to reduce the threat of nuclear missiles to the United States, in fact, the Defend America Act, so-called, will actually increase that threat. Its passage would actually make us less secure. It should be renamed the Make America Less Secure Act, rather than the Defend America Act.

Do we want defenses? Of course. The issue is not do we want to defend. The issue is, against what threats? What threats do we create in the process of deploying defense? At what price? What resources do we deny ourselves for other threats that may be more real?

This is not simply the Republican leadership of the Congress—Senator DOLE, Speaker GINGRICH and others—versus President Clinton. In support of President Clinton's position are the Joint Chiefs of Staff, the Chairman of the Joint Chiefs of Staff, and the Defense Department.

Now, this is the letter which General Shalikashvili wrote to Senator NUNN relative to this bill. He said in this regard:

> . . . efforts which suggest changes to or withdrawal from the ABM Treaty may jeopardize Russian ratification of START II and, as articulated in the Soviet Statement to the United States of 13 June 1991, could prompt Russia to withdraw from START I. I am concerned that failure of either START initiative will result in Russian retention of hundreds or even thousands more nuclear weapons, thereby increasing both the costs and risks we may face.

He continues:

> We can reduce the possibility of facing these increased cost and risks by planning [a national missile defense] system consistent with the ABM treaty. The current National Missile Defense Deployment Readiness Program, which is consistent with the ABM treaty, will help provide stability in our strategic relationship with Russia as well as reducing future risks from rogue countries.

So the conflict that exists here is between the congressional Republican leadership on the one hand and President Clinton, the Joint Chiefs of Staff, and the Defense Department on the other hand. Of course, there are supporters of each of those two leadership groups. That is the contrast here. We have the Joint Chiefs of Staff and the Defense Department that have adopted, with the administration's support, a National Missile Defense Deployment Readiness Program. With this so-called Three-plus-Three program, we would develop the system in 3 years and then, depending on the threat, depending on the cost, depending on the situation that exists, we would then decide whether to deploy, and could deploy within 3 years of that decision.

That is the Defense Department position. That is the Joint Chiefs of Staff position. That is the administration position: not a commitment now to deploy prematurely and unilaterally, which would jeopardize our relationship with Russia and undermine our determination that they live up to START I and START II. Such a position, as is in this bill, would play right into the hands of those supernationalists and jingoists in Russia who right now are running for President of that country.

This is the worst time to be introducing this kind of legislation. This is not just me saying this. I am not alone in saying or suggesting this. It is not just Senator LEVIN from Michigan who is doing it. It is the Joint Chiefs of Staff who are saying: do not do anything unilaterally to undermine the ABM Treaty, because by doing so Russia has informed us that they will no longer comply with START I and will not ratify START II. They tell us the result—and now I quote—''with the result that Russia would retain hundreds or even thousands more nuclear weapons, thereby increasing both the costs and risks we may face.''

That is the issue before the Senate. Do we want to precipitate that kind of action on the part of Russia by a premature, unilateral decision that we are going to deploy a system which is inconsistent with a critical security agreement between ourselves and Russia? It was the wrong time to do it last year and, after much effort, we avoided it. It is particularly the wrong time to do it this year because there will be an election going on in Russia in the next few weeks. This bill will be seized upon by people in Russia who do not believe in START I, who do not want to ratify START II. It will be seized upon by them as evidence for why they should not ratify START II. That is the fear that General Shalikashvili has set forth.

Now, in addition, this legislation will threaten a number of international security efforts besides the START treaties. The so-called Nunn-Lugar, or cooperative threat reduction program, which helps to secure, store, and dismantle former Soviet nuclear warheads so that they cannot again threaten any nation, would also be put at risk. Negotiations for a comprehensive test ban treaty to outlaw all nuclear weapon tests and help prevent the development of new nuclear weapons would be delayed. Russian ratification of the Chemical Weapons Convention would be sidelined. So, instead of eliminating the world's largest stockpile of chemical weapons, Russia could leave its chemical weapons in place.

This bill could relegate other important cooperative security arrangements with Russia to the scrap heap.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LEVIN. I ask unanimous consent for an additional 2 minutes.

Mr. WARNER. I see no objection to that.

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

Mr. LEVIN. There are other important cooperative security arrangements with Russia that we have built upon and we have created. We have built, finally, some trust and some confidence between our two militaries. Our Defense Department does not view Russia as an adversary, but as a partner in cooperative security. Take a look at what is happening in Bosnia, where we have Russian soldiers under U.S. command in the implementation force. Take a look at what has happened with the United States and Russian detargeting of our nuclear missiles, where no longer are missiles on either side targeted on the other's nations.

If we threaten unilaterally to violate the ABM Treaty, as the Defend America Act does, it could play right into the hands of those in Russia who want to return to a hostile relationship. By committing to build the system, by making that commitment now to build a system by the year 2003, the Defend America Act also locks us into possibly the least capable technology.

That is another thing that the Pentagon is not agreeing with. They want to develop the technology and, if and when a decision needs to be made, to utilize the best technology that is available.

The Defense Department's missile defense program, which is also the administration's missile defense program, the so-called three-plus-three plan, will develop missile defense technology that will permit a deployment decision as soon as 3 years, and then 3 years thereafter, if there is a threat that warrants the deployment, and if the military capability of that system is such that it is effective, and if the cost is such that it justifies the advantage to us, then we can deploy the system. And because the threat is estimated to be 15 years away, we can continue to develop the technology to make it as effective as possible.

Mr. President, we have threats now with terrorists acquiring and using chemical weapons. It happened in the Tokyo subway, and it could happen here in this country. That is a real threat. And there have been efforts to smuggle nuclear weapon materials from facilities in the former Soviet Union. It is probably no harder to smuggle nuclear materials or weapons into the United States than to smuggle drugs. We have very few efforts underway to halt that deadly enterprise. Less than 20 pounds of plutonium could make a bomb which could destroy an American city. Mr. President, 20 pounds of very easily transportable plutonium can destroy a city. Yet the proposal before us is to spend tens of billions of dollars against threats which are uncertain, which the intelligence experts say has not materialized and is unlikely to materialize in the next 15 years, at the same time that we are underfunding needed defenses against real threats such as the terrorist threat using chemical weapons.

At best, the Dole-Gingrich crash program would only counter a handful of foreign missiles—less than the number contained on a single Russian submarine. Alternatively, some 50 Russian submarines and their missiles would be eliminated outright if the START I and II treaties are implemented. It is clear which approach is more reliable and cost-effective.

By committing to build a system by 2003 the Defend America Act also locks-in the least capable technology. The result would be a very ''thin'' system, according to the Pentagon. Why lock ourselves into such technology prematurely when the threat may eventually demand better technology? Our intelligence agencies estimate no new countries will build missiles able to reach the continental United States for 15 years. The risk of a missile launched against the United States is already drastically deterred by the guarantee of prompt and devastating retaliation.

Let's look at the price tag. The ''Defend America Act'' says, in essence, ''build a system by 2003, whatever the cost.'' When asked about the system's cost, Senator DOLE admitted ignorance. CBO estimates that just buying this system will cost between $31–$60 billion. If the Administration requested money for a new weapon system with no blueprint and no idea of the cost, Congress would flatly reject it. It should do so with the Dole-Gingrich bill.

If we pour money into premature missile defenses, resources will be lacking for other defense efforts that improve our security. To deal with security threats to the U.S. we must exercise cooperative threat reduction, nonproliferation and arms control efforts. We must also maintain our conventional military forces sufficient to dissuade any nation from using weapons of mass destruction against us.

Our strategy to secure the U.S. against weapons of mass destruction demands balance. Supporters of the Dole-Gingrich legislation are looking backwards at a non-existent Soviet

Union instead of looking forward to meeting the real emerging threats to our national security.

Finally, I ask unanimous consent, Mr. President, that the letter from General Shalikashvili to Senator NUNN be printed in the RECORD.

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

CHAIRMAN OF THE
JOINT CHIEFS OF STAFF,
Washington, DC, May 1, 1996.

Hon. SAM NUNN,
U.S. Senate, Committee on Armed Services, Washington, DC.

DEAR SENATOR NUNN: In response to your recent letter on the Defend America Act of 1996, I share Congressional concern with regard to the proliferation of ballistic missiles and the potential threat these missiles may present to the United States and our allies. My staff, along with the CINCs, Services and the Ballistic Missile Defense Organization (BMDO), is actively reviewing proposed systems to ensure we are prepared to field the most technologically capable systems available. We also need to take into account the parallel initiatives ongoing to reduce the ballistic missile threat.

In this regard, efforts which suggest changes to or withdrawal from the ABM Treaty may jeopardize Russian ratification of START II and, as articulated in the Soviet Statement to the United States of 13 June 1991, could prompt Russia to withdraw from START I. I am concerned that failure of either START initiative will result in Russian retention of hundreds or even thousands more nuclear weapons thereby increasing both the costs and risks we may face.

We can reduce the possibility of facing these increased cost and risks by planning an NMD system consistent with the ABM treaty. The current National Missile Defense Deployment Readiness Program (NDRP), which is consistent with the ABM treaty, will help provide stability in our strategic relationship with Russia as well as reducing future risks from rogue countries.

In closing let me reassure you, Senator NUNN, that I will use my office to ensure a timely national missile defense deployment decision is made when warranted. I have discussed the above position with the Joint Chiefs and the appropriate CINCs, and all are in agreement.

Sincerely,

JOHN M. SHALIKASHVILI,
Chairman of the Joint Chiefs of Staff.

Mr. LEVIN. I close, finally, with the last line of General Shalikashvili's letter: ''I have discussed the above position with the Joint Chiefs and the appropriate CINCs, and all are in agreement.''

I thank the Chair and yield the floor.

Mr. WARNER. Mr. President, I ask the chairman of the Armed Services Committee if I may have 5 minutes within which to proceed.

Mr. THURMOND. The able Senator from Virginia can have 25 minutes if he wants to. I am very pleased to hear him speak.

Mr. WARNER. Mr. President, I will inquire of my distinguished colleague from Michigan, before he departs the floor. I ask my colleague from Michigan this. The Senator's opening statement was that we should call this bill ''less secure.''

Mr. President, my understanding is that we have absolutely no ability in this country today to interdict an intercontinental ballistic missile, or indeed a short-range ballistic missile. I ask my distinguished colleague this. We have no security, so how can we be less than what I view is zero today?

Mr. LEVIN. Well, we do have some missile defense against the short-range missiles, as my good friend from Virginia knows. We are trying to improve those defenses. That is an effort that I think almost all Senators support, which is the defense against those short-range missiles that provide the real threat that those rogue countries indeed have. We have the Patriot missile capability, the anti-missile capability, and are trying to improve that, for which our committee funded the efforts. We are seeking defenses against those theater short-range missiles that provide the real threats.

If I can complete my answer, on the long-range missile, the question is twofold——

Mr. WARNER. If I can interrupt, I will first respond, and then I would appreciate it if we could continue. I am fully aware of the Patriot system. As a matter of fact, I am the chairman of the subcommittee, and my distinguished colleague from Michigan is the ranking member and, indeed, we work on that together. We recognize that those short-range systems, the Patriot, have to be deployed to the region. Theoretically, they cannot run all over the United States. So a rogue attack, if it could be mounted, with a short-range theater missile somehow against the continental units of the United States is dependent on the ability to quickly deploy from what few locations we have in that system to some other part of the United States.

To me, that is highly impractical. That is theoretical. Putting that aside, let us agree, I hope, that the United States does not have any indigenous ability to defend against an intercontinental missile, albeit fired by mistake, fired by a terrorist organization, or perhaps intentionally, against Alaska or Hawaii, from say, Russia or China. Am I not correct on that?

Mr. LEVIN. The Senator's question raises the exact reason why the Defense Department has adopted the National Missile Defense Deployment Readiness Program, which will put us in a position, in 3 years, hopefully, where we can make a decision as to whether or not—those are the key words, ''whether or not''—to deploy the kind of defense which the Senator has just described, without committing us now to do so for two reasons. The two reasons are that we do not want to make a commitment now, according to our Chairman of the Joint Chiefs, to deploy a system which could undermine the ABM Treaty, which, in turn, would then cause Russia not to reduce the number of warheads that she has and could cause Russia not to ratify START II. It is in the interest of this country that Russia ratify the START II Treaty. The other reason given for the Defense Department's position in favor of the National Missile Defense Readiness Program, which will address the threat the Senator talks about, is that they will then be in a position to use the best technology available and not commit themselves prematurely to deploy a system that may be an inferior technology.

Mr. WARNER. Mr. President, I listened carefully as my colleague from Michigan recited his argument. But I come back to his opening statement that this would make us ''less secure.'' We have nothing from which to go to a lesser security today, in terms of our ability tomorrow or tonight to interdict a stray, unintentional missile, or indeed one fired by a terrorist at the United States. Can we agree on that point?

Mr. LEVIN. No. We can, I hope, agree on this. If, in fact, our commitment to deploy a system now causes Russia not to ratify START II, or to pull out from START I, leaving her with thousands of additional warheads that she otherwise would have gotten rid of, it will indeed make us less secure. That is why this bill should be called the Reduce America's Security Act of 1996—because the commitment to deploy this defense prematurely will, in the view of General Shalikashvili and the Joint Chiefs, who share his view, cause Russia to pull out from START I, not to ratify START II, and that will make us less secure.

Mr. WARNER. Now, Mr. President, it is obvious that we are not going to come to closure on that point. But we have each made our positions.

The PRESIDING OFFICER. The Chair informs the Senators that under the rules we are operating by, there are five minutes for morning business. Does the Senator wish to ask for additional time?

Mr. WARNER. The chairman has put in a request that we have more time. I ask unanimous consent that we may proceed for a period in the colloquy of another 3 or 4 minutes, and then the Senator from Virginia will close with a set of remarks of his own.

The PRESIDING OFFICER. Without objection, the Senator from Virginia is recognized to engage in a colloquy, following which the Senator from Virginia is recognized for 5 minutes for morning business.

Mr. WARNER. I thank the Chair.

I say this to my good friend. I, with modesty, mention the fact that in the period when the ABM Treaty was negotiated, I was privileged to be serving in the Department of Defense and, more specifically, under the Secretary of the Navy. I followed the preparations and the negotiations for the ABM Treaty. Mr. President, it was my privilege to accompany the President of the United States and the Secretary of State and our chairman to Moscow in May of 1972. My principal responsibility was to conclude the negotiation of the Incidents at Sea Treaty, on which I have been the principal negotiator, and to be

the signatory on behalf of the United States on that Executive agreement with the Soviet Union and with the Soviet Navy.

Mr. LEVIN. A landmark agreement it was.

Mr. WARNER. It is still in effect today, although modified. It is a living Executive agreement, in a sense.

Departing from that and going back to the ABM Treaty, I remember reviewing this at that time and in the past 2 or 3 years in the course of the debates. Those that were present at that time were clearly of one mind that that treaty was never designed to apply to the short-range theater systems. I might ask, does my distinguished colleague concur in that?

Mr. LEVIN. I do indeed, and that is why we are developing theater systems.

Mr. WARNER. Fine. Well, that is my concern. This ABM treaty has indeed, in my judgment, impeded the unfettered, unrestrained technical knowledge that this country has available to devise means for a defense of the short-range systems. I just wanted to put that point alongside the points of my distinguished colleague from Michigan. That concludes my inquiry.

Mr. LEVIN. If I could comment briefly on that, I do not think the Defense Department or the Joint Chiefs would agree that we have been constrained in the development of the short-range systems, the so-called ''theater systems.'' We are proceeding apace with those systems, and I think we have been assured by the Defense Department that not only would we agree that the ABM Treaty does not cover the short-range or theater systems, but that the Defense Department does not feel that the ABM Treaty has constrained that development. Article 6 of the treaty was written, however, very expressly to prevent each nation from turning non-ABM systems into ABM systems. That was also part of the treaty which was ratified.

Mr. WARNER. Mr. President, I would simply close this debate with the observation that my criticism is not directed at President Clinton but, indeed, to a succession of Presidents who have laid down, should we say, a framework within which our scientists, research and development, and others have been contained. And, if you look carefully at the assertions by the chairman and others, yes, we have not limited them within that framework. But I take the position that the framework should never have been laid down in the first place predicated on the ABM Treaty in the short-range missile defense systems. That never should have applied to any of our research and development as components for a defense against short-range attack.

DEFEND AMERICA ACT

Mr. WARNER. Mr. President, I would like to turn to the legislation at hand which was addressed by the distinguished chairman of the committee.

I rise today to join my colleagues in supporting this crucial legislation to protect the American people from the very real threat of long-range ballistic missile attack. I find it curious that the day after President Clinton made headlines by claiming that he supports a National Missile Defense System, the Democrats in the Senate are preventing the Senate, as the distinguished chairman stated, from even debating and considering a bill that would provide for such a system.

It was timely, in my judgment, for this debate because the interest of the American people have been drawn to the fact that we do not have a defense against an accidental or unintentional firing of a long-range strategic ballistic missile. That, I think, is agreed on by all.

During his speech yesterday at the Coast Guard Academy, President Clinton made a series of points on national missile defense. Let us examine carefully his assertions.

The President begins by talking about theater missile defense: ''Our first priority is to defend against existing or near-term threats, like short- and medium-range missile attacks on our troops in the field or our allies.'' So far, I concur. This is also the priority that Republicans established years ago, in the wake of the Persian Gulf war. On trips to that theatre during that war I saw the destruction of Iraq's use of the scud. I experienced with other Senators, a scud attack on Tel Aviv on February 18, 1991. It impacted a considerable distance from where we were at the Defense Ministry Building.

The President then continues, ''And we are, with upgraded Patriot missiles, the Navy Lower and Upper Tier and the Army THAAD.'' What are the facts? The facts are that the administration's recent BMD Program Update Review shifted the focus of TMD efforts to point defense systems (Patriot PAC-3 and Navy Lower Tier) at the expense of the more promising and capable area wide systems (THAAD and Navy Upper Tier). As a result of this review, $2 billion was stripped from the THAAD program over the FYDP; and the Navy Upper Tier program remains little more than a science project—with no acquisition or deployment strategy. These actions were taken despite last year's clear legal requirements to accelerate both programs. Once again, the Armed Services Committee has had to come to restore both of these programs—adding almost $500 million to the administration's inadequate request in the Senate bill.

Next, the President addresses the threat: ''The possibility of a long-range intercontinental missile attack on American soil by a rogue state is more than a decade away.'' I say wrong Mr. President. The President and many of our Democrat colleagues are relying on a recent intelligence community assessment which reportedly claims that the threat of ballistic missile attack against the United States is 15 years away. Several important qualifications must be highlighted. First, that intelligence assessment was carefully crafted to consider only threats to the continental United States—not Alaska and Hawaii. The threat to Alaska, in particular, from a long-range ballistic missile currently under development by North Korea is real and near-term. Also, that 15-year scenario is based on the assumption that rogue nations will develop their missiles indigenously—without foreign help. We all know that these nations are receiving substantial foreign assistance for their weapons development programs. Such assistance will substantially accelerate the threat.

We should not be lulled into a sense of complacency by such reports. Remember the assessments we received just prior to the Gulf War—Iraq was supposed to be least 5 years away from a nuclear weapons capability. After Desert Storm, and the U.N. inspections, we were shocked to learn the true extent of the advancements in the Iraqi nuclear program

A focus on the threat from rogue nations also ignores the substantial military capabilities both Russia and China—both nations with intercontinental missiles capable of reaching our shores. We all know of the threats the Chinese made during the recent standoff with Taiwan. They correctly know that the United States is currently defenseless against ICBM attack. And the President may take comfort in the Russian promise that they are no longer targeting the United States. But we all know that—even if this representation is true—retargeting is a relatively quick and easy thing to change. I would prefer us to rely on limited U.S. defenses, rather than Russian promises, for our security.

In criticizing the Defend America Act, the President claims that ''They have a plan that Congress will take up this week that would force us to choose now a costly missile defense system that could be obsolete tomorrow. The Congressional Budget Office estimates that this cost will be between $30 and $60 billion.'' The facts? The Defend America Act does not specify a particular architecture for a national missile defense system—it simply says that the United States should have a highly effective system to defend against limited, accidental or unauthorized ballistic missile attacks. There is nothing new here. This is technology that we have been investing in—to the tune of $38 billion—since the early 1980s. We are simply saying that the time for ''science projects'' is over, the time has arrived to turn this technology into a deployed system that will protect Americans.

Weapons development programs—on average—take a decade from start to finish. As technology advances, those advancements are incorporated into the weapons. Why should NMD be any different—why does the President think that an NMD system would be

''obsolete'' by the time it is deployed in the year 2003? There is no basis for such a claim.

Concerning the CBO cost study, the $30 to $60 billion range the President refers to represents the high end of the CBO's conclusions. According to the study, a NMD system capable of protecting the United States could be developed and deployed for less than $14 billion over the next 13 years—or about a billion dollars a year. This is a relatively smaller cost—less than ½ of 1 percent of the DoD budget—to protect the United States from attack.

I should also point out that other cost estimates—these coming from the administration—are much lower than CBO's. For example, the Air Force has said that it would cost only $2.5 billion to deploy such a system; and the Army estimates a cost of $5 billion.

The President states: ''Those who want us to deploy this system before we know the details and the dimensions of the threat we face I believe are wrong. I think we should not leap before we look.'' This is not a surprising statement from a President who is a recent ''convert'' to the need for a national missile defense system. Republicans have been following ''the details and dimensions of the threat'' for over a decade. What more do we have to wait for before committing to defend the United States? The threat is not diminishing. Approximately 30 countries currently have ballistic missiles, with varying ranges, and many of these nations either have or are actively seeking to acquire war heads of mass destruction—nuclear, chemical or biological. There is no lack of appetite in the world for such ''status symbols.'' Weapons of terror, intimidation. I submit that the only thing inevitable about the missile threat we face is that the threat will continue to increase. The President seems to believe that we have the luxury of time to sit around and discuss and contemplate the threat—all the while with Americans remain unprotected against an unintentional or terrorist firing of one or more missiles. I say it is time to act to protect our Nation before it is too late.

One of my favorite lines in the President's speech is: ''It is (Defend America Act) would weaken our defenses by taking money away from things we know we need right now.'' This from a President who submitted a budget request that was $18.6 billion below the FY96 level for defense; and the same President who recently threatened to veto the FY97 Defense Authorization Bill passed by the House because it contains $12 billion more than he requested. A President who has a history for inadequately funding our military.

Finally, the President claims that: ''It is (Defend America Act) would violate the arms control agreements that we have made and these agreements make us more secure.'' Again, the facts. There is nothing in the defend America Act which would violate the ABM Treaty. The Act calls on the President to negotiate changes to that Treaty to allow for the deployment of an effective NMD system. I should point out to my colleagues that the ABM Treaty—a 25-year old agreement with the Soviet Union—was never intended to be a static agreement. The Treaty itself includes provisions for amendments—and, in fact, the Treaty has been amended over the years. Why, all of a sudden, is the Treaty now not amendable?

I firmly believe that Americans here at home and U.S. troops deployed overseas should be protected by highly effective missile defenses as soon as is technologically possible.

ORDER OF PROCEDURE

Mr. WARNER. I know the Chair and others are anxious to conclude the matters before the Senate tonight. I am prepared to assume the role of acting leader and have the concluding remarks for tonight.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. THURMOND. Mr. President, if there is nothing else to come before the Senate tonight, I think we are ready to adjourn.

Mr. WARNER. Mr. President, I say to the distinguished chairman, might I suggest that either the chairman or I address certain closing remarks for the leader?

Mr. THURMOND. I will delegate that to the able Senator from Virginia.

Mr. WARNER. I thank the distinguished chairman.

MEASURE SEQUENTIALLY REFERRED—H.R. 3286

Mr. WARNER. Mr. President, I ask unanimous consent that when the Finance Committee reports H.R. 3286, the bill be sequentially referred to the Committee on Indian Affairs for the purpose of considering title III of the bill for a period of 10 days of Senate session; further, that if the Committee on Indian Affairs does not report the measure at the end of the 10 session days, the Indian Affairs Committee be discharged from further consideration of the bill and the bill be placed on the calendar.

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

AUTHORITY FOR COMMITTEES TO REPORT

Mr. WARNER. Mr. President, I ask unanimous consent that the committees have between 11 a.m. and 2 p.m. on Wednesday, May 29, to file legislative or executive reported legislation.

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

AUTHORIZATION FOR PRODUCTION OF RECORDS

Mr. WARNER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 256 submitted earlier today by Senators DOLE and DASCHLE.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

A resolution (S. Res. 256) to authorize the production of records by the Select Committee on Intelligence.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, the Select Committee on Intelligence has received a request from the Office of the Inspector General of the Central Intelligence Agency for copies of committee records relevant to the Inspector General's pending inquiry into the Zona Rosa massacre of six American citizens in El Salvador in 1985.

Mr. President, this resolution would authorize the Chairman and Vice Chairman of the Intelligence Committee, acting jointly, to provide committee records in response to this request, utilizing appropriate security procedures.

Mr. WARNER. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid on the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

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

The resolution (S. Res. 256) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

Whereas, the Office of the Inspector General of the Central Intelligence Agency has requested that the Select Committee on Intelligence provide it with copies of committee records relevant to the Office's pending review of matters related to the Zona Rosa massacre of six American citizens in El Salvador in 1985;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers and records under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Vice Chairman of the Select Committee on Intelligence, acting jointly, are authorized to provide to the Office of the Inspector General of the Central Intelligence Agency, under appropriate security procedures, copies of records that the Office has requested for use in connection with its pending review into matters related to the Zona Rosa massacre.

ORDERS FOR FRIDAY, MAY 24, 1996

Mr. WARNER. Mr. President, I ask unanimous consent that when the Senate completes its business today it

stand in adjournment until the hour of 11:30 a.m. on Friday, May 24; further, that immediately following the prayer, the Journal of proceedings 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, and the Senate then turn to a period for morning business until the hour of 1 p.m. with Senators permitted to speak for up to 5 minutes each.

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

PROGRAM

Mr. WARNER. Mr. President, for the information of all Senators, a cloture motion was filed on the Defend America Act today. That cloture vote will occur on Tuesday, June 4, at 2:15 p.m., and will be the next rollcall vote. The Senate will be in session tomorrow for morning business in an attempt to clear a few items that would be considered by consent.

No rollcall votes will occur during Friday's session of the Senate.

ADJOURNMENT UNTIL 11:30 A.M. TOMORROW

Mr. WARNER. Mr. President, if there is no further business to come before the Senate—and I see no Senators seeking recognition—I now ask that the Senate stand in adjournment as under the previous order.

There being no objection, the Senate, at 7:46 p.m., adjourned until Friday, May 24, 1996, at 11:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 23, 1996:

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

JEANNE GIVENS, OF IDAHO, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT FOR A TERM EXPIRING OCTOBER 18, 2002, VICE PIESTEWA ROBERT HAROLD AMES, TERM EXPIRING.

DEPARTMENT OF DEFENSE

KEITH R. HALL, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF THE AIR FORCE, VICE JEFFREY K. HARRIS, RESIGNED.

EXECUTIVE OFFICE OF THE PRESIDENT

KERRI-ANN JONES, OF MARYLAND, TO BE AN ASSOCIATE DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY, VICE JAMES M. WALES, RESIGNED.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

GERALD S. MCGOWAN, OF VIRGINIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 1998, VICE DONALD BURNHAM ENSENAT, RESIGNED.

DEPARTMENT OF STATE

PETE PETERSON, OF FLORIDA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE SOCIALIST REPUBLIC OF VIETNAM.

EXECUTIVE OFFICE OF THE PRESIDENT

FRANKLIN D. RAINES, OF THE DISTRICT OF COLUMBIA, TO BE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET, VICE ALICE M. RIVLIN.

DEPARTMENT OF LABOR

J. DAVITT MCATEER, OF WEST VIRGINIA, TO BE SOLICITOR FOR THE DEPARTMENT OF LABOR, VICE THOMAS S. WILLIAMSON, JR.

EXECUTIVE OFFICE OF THE PRESIDENT

JERRY M. MELILLO, OF MASSACHUSETTS, TO BE AN ASSOCIATE DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY, VICE ROBERT T. WATSON, RESIGNED.

DEPARTMENT OF STATE

JOHN STERN WOLF, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS U.S. COORDINATOR FOR ASIA PACIFIC ECONOMIC COOPERATION [APEC].

CORPORATION FOR PUBLIC BROADCASTING

HEIDI H. SCHULMAN, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR PUBLIC BROADCASTING FOR A TERM EXPIRING JANUARY 31, 2002, VICE LESLEE B. ALEXANDER, TERM EXPIRED.

EXTENSIONS OF REMARKS

CONSUMER AUTOMOBILE LEASING ACT OF 1996

HON. JOHN J. LaFALCE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. LaFALCE. Mr. Speaker, I am today introducing legislation to provide consumers with the information they need to make informed decisions about automobile leases. My bill, the consumer Automobile Leasing Act of 1996 would update and strengthen current Federal requirements for automobile lease disclosure and advertising under chapter 5 of the Truth in Lending Act.

Automobile leasing is a growing phenomenon that is supplanting traditional new car sales and dominating automobile advertising. It is the automobile industry's answer to the growing affordability gap between rising new car prices and stagnating family incomes.

A decade ago consumer leases represented less than 5 percent of all new car transactions. Today, more than 30 percent of all new automobile transactions involve leases. By the year 2000, some auto industry experts predict, leases will constitute over half of all new car transactions and a significant portion of used care transactions.

This rapid growth in automobile leases has generated a concomitant increase in lease advertising. The Center for consumer Affairs at the University of Wisconsin reported last year that its 6-year study of advertising in the Milwaukee market showed that lease advertising had grown from a relatively infrequent occurrence to the most commonly advertised consumer transaction in that market. Automobile leases now figure as prominently as, if not more prominently than, traditional automobile sales transactions in advertising in the Washington, DC market and in my congressional district in western New York. Leasing clearly has become a reasonable alternative to buying a new automobile not just for luxury car buyers, but also for middle-class families, for retirees on fixed incomes and even for college students. And lease advertising now seeks to appeal to all these markets.

Automobile leases can be beneficial for consumers, particularly in providing more manageable monthly automobile payments and lower maintenance costs. Unfortunately, it is often very difficult for consumers to understand the terms of auto leases and to know whether they actually save money with a lease. As the National Center for Study of Responsive Law commented to the Federal Reserve board last year, current lease promotions may deceive consumers into believing that they are getting a better deal with a lease than a credit purchase, when this may not be true.

I. THE NATURE OF THE PROBLEM

Part of the problem comes from the complexity of lease transactions. As a special task force of the State attorneys general reported to the Federal Reserve Board in November, most consumers are not yet familiar with lease transactions. The task force cited the way in which the automobile industry has chosen to structure lease transactions, both the terms used and their application in contracts and advertising, as making leases far more complex than the traditional sales situation. This complexity creates enormous opportunity for misrepresentation and abuse.

Problems also stem from inadequacies in current laws and regulations governing lease disclosure and advertising, particularly at the Federal level. The Consumer Leasing Act was enacted as chapter 5 of the Truth in Lending Act in 1976, long before Congress could have anticipated the current upsurge in automobile leases. Federal regulations governing lease disclosure and advertising have not been revised or updated in any significant way since their issuance by the Federal Reserve Board in 1981. This creates serious problems even on technical grounds. The dollar amount of the leases covered by the act, for example, is inadequate and will permit increasing numbers of auto leases to escape Federal regulation. Civil penalties under the act also are woefully inadequate to deter violations by automobile dealers and leasing companies when viewed in comparison to potential profits.

The inadequacies of current law and regulation present additional problems in practice. These laws and regulations offer no consistent standards governing clear and conspicuous disclosure for either lease contracts or advertising. They permit disclosure far too late, usually at the time a lease is signed, and sometimes even after a vehicle has been ordered and the consumer has paid a deposit or other fee. They offer no clear standards for nontraditional advertising, for example, in commercial mailings, toll-free telephone numbers or on the Internet. They permit lease advertising to mix terms and costs of leases and installment credit sales, which may easily confuse and mislead consumers. And they permit so-called come-on promotions that have little relevance to the terms actually offered to consumers or the vehicle models actually available.

One of the most serious omissions of current regulations is the lack of any requirement to disclose the annual interest rate implicit in lease transactions. The lease interest rate has been described by State Attorneys General, the Consumer Federal of America, the American Association of Retired Persons [AARP] and other organizations as the critical factor in the lease equation. Together with the lease term, the capitalized cost of the automobile and the vehicle residual value, it is one of the four variables that determine the consumer's monthly lease payment. To allow leasing companies to hide one of these key variables, as most now do, the attorneys general commented, is to invite abuse. Not requiring disclosure of a lease interest rate, they noted, is tantamount to the hiding of valuable information from consumers.

In Canada, lease annual interest rates will soon be a required disclosure item in all provinces. A national working group of provincial and Federal officials recently agreed that lessors should be required to disclose a lease rate as an annual percentage rate. Last July, the National Conference of Commissioners on Uniform State Laws released a study urging uniform State consumer leasing laws and recommending required disclosure of lease interest rates to allow comparison shopping by consumers. This same requirement is needed in Federal law. Without disclosure of a lease rate, according to the consumer Federation, consumers have no way of computing the real cost of a lease.

All of these problems in automobile leasing are compounded by lease documents that hide critical disclosures among technical lease terms and that confuse consumers with legal jargon, imprecise terms and byzantine payment and penalty formulas. Key consumer information such as the price of the leased automobile, is not clearly disclosed or is hidden in broader cost amounts. Fees paid as part of the vehicle capitalized cost or the payment required at lease signing may not be identified and itemized. And major costs after the lease is signed, such as vehicle delivery charges and lease-end disposition fees, are obscured or hidden to such a degree that the Federal Trade Commission says many consumers are unaware of their existence.

But it is in the area of lease advertising that, in my view, the problems and abuses of current automobile leasing are most evident. You only have to turn on the television or open the advertising sections of any local and regional newspaper to find advertisements that routinely feature deceptively low monthly lease rates or other attractive aspects of a lease while obscuring or omitting required information about the costs and restrictions of the lease; scroll consumer information quickly across the television screen or in mouse sized type in print advertisements to make it difficult for consumers to see or read; highlight no or zero downpayment amounts without stating the substantial charges and fees a consumer may actually have to pay upon signing the lease; and combine disclosure for numerous vehicle models in confusing tiny print or mix the payment amounts, downpayments, interest rates, and other items for leases with those of credit installment transactions.

The Federal Trade Commission summarized these problems earlier this year in detailed comments to the Federal Reserve Board:

> Many lease advertisements today may fall short of the ''clear and conspicuous'' standard. Currently many television and some print advertisements boldly promote certain attractive lease terms and regulate the required lease disclosure to fine print or a location that is both inconspicuous and barely visible. Some television advertisements use background music or flashing images that further obscure the required disclosures. Television advertisements may also flash the disclosures on the screen for only two or three seconds or scroll so quickly that consumers are unable to read this important information.

These common practices make it extremely difficult for consumers to understand the terms

of advertised leases and virtually impossible for consumers to make knowledgeable comparisons between lease offerings. In their comments last year, the attorneys general expressed concern that automobile lease advertisements have, for several years, generally failed to adequately disclose material information consumers need to make informed decisions. The Federal Trade Commission echoed this sentiment, stating that current misleading advertisements may significantly hinder comparison lease shopping, in direct contradiction of the purposes of the Consumer Leasing Act.

Clearly, current lease advertising provides no standardized format or uniform disclosures to permit consumers to make an intelligent and informed choice between leasing and buying an automobile or even to make comparisons among comparable leases offered by different dealers.

Given the confusion created by lease advertising and the complexity of the leases themselves, it is not surprising that reports of deceptive or abusing leasing practices are increasing. The State attorneys general report a dramatic increase in the number of consumer leasing complaints received by our offices. Local consumer affairs agencies in areas as diverse as San Jose, CA; Montgomery County, MD; and Penellas County, FL, all have reported auto leasing as the area in which consumer complaints have increased most significantly in recent years. Public agencies and consumer organizations all point to the inadequacy of information available to consumers, as well as growing pressures on auto dealers to maximize profits through leasing, as creating an enormous potential for abuse of consumers and as emphasizing the need for increased consumer protection.

II. OVERVIEW OF THE LEGISLATION

The legislation I am introducing today offers a comprehensive approach to the problems of automobile lease disclosure both in lease documents and in advertising. Indeed, the bill is the first legislation, that I am aware of, to propose comprehensive revision of the Consumer Leasing Act since the act was passed 20 years ago.

In general terms, the legislation amends the Consumer Leasing Act to implement many of the changes in lease disclosure and advertising recommended last year by the attorneys general task force. It incorporates technical changes requested by the Federal Reserve Board. It seeks to apply to all forms of lease advertising recent Federal Trade Commission standards for clear and conspicuous disclosure, as well as the FTC's proposed equal prominence standard for lease advertising. And it proposes required disclosure of a lease interest rate and other changes to enhance lease disclosure and advertising advocated by the Consumer Federation and other consumer organizations.

More specifically, my legislation would modify and update the disclosure requirements in current law to provide consumers with more visible, more complete, and more relevant information in lease documents about the terms and costs of auto leases. It would create a special requirement for automobile leases, modeled on proposals recently implemented by the leasing subsidiary of Ford Motor Co., that require the highlighted disclosure of key consumer costs and consumer notices or warnings at the beginning of the lease document. And it requires that consumers receive required disclosure before the lease signing in situations where an automobile must be ordered and the consumer is required to pay a deposit or incurs any other form of financial or legal obligation.

However, it is in the area of lease advertising that my legislation would make the most far-reaching changes. It clarifies the clear and conspicuous disclosure requirement in current law by incorporating the more specific reasonably understandable standards used by the Federal Trade Commission in the 900 number rule and in other industry advertising orders. It extends disclosure requirements to advertisements on the Internet. It requires all lease advertisements to disclose a lease rate computed as an annual percentage rate. It requires that disclosures in foreign language advertisements be made in the language primarily used in the advertisement. And it would permit television advertisers to use the alternative toll-free telephone disclosure option in current law for radio advertisements and clarify disclosure standards for toll-free telephone advertising.

The bill also addresses the more abusive advertising practices that are clearly intended to confuse or deceive consumers. It would prohibit lease advertisers from claiming that no down payment is required when, in fact, significant fees and charges are required to be paid at lease signing. It requires that transactions be clearly identified as a lease at least as prominently as any featured lease term or payment. It would prohibit the mixing of the terms of leases and installment credit transactions in the same advertisement. And it would prevent lessors from advertising lease terms that are offered only to select consumers or advertising lease terms for vehicle models they do not have in sufficient quantities to meet reasonably anticipated consumer demand.

Finally, the bill introduces a new initiative for print advertisements which would move auto lease advertising toward a uniform pricing approach that encourages comparison shopping by consumers. The proposal creates a special lease box requirement for printed lease advertisements that simplifies the disclosures required for lessors, makes disclosures more visible and understandable to consumers and provides greater uniformity in terminology and cost disclosures. It would make disclosed costs more relevant to lease terms offered to consumers by requiring that advertised costs represent average costs of comparable vehicles leased by the advertising dealer with option packages most commonly requested by consumers. And it would require that key factors used to calculate monthly lease payments—the lease terms, vehicle residual value, and excess mileage limits—be standardized to reflect standard industry practices in order to minimize their manipulation to produce artificially low monthly payment amounts in lease advertisements.

The proposal would standardize the information disclosed for comparable automobile models and highlight actual differences in vehicle capitalized costs, up front payments and lease interest rates among advertised lease options. The bill acknowledges that this is only one approach to introducing uniform pricing and disclosure to automobile leasing. It directs the Federal Reserve Board to study additional or alternative approaches for standardizing the terms and cost disclosures of auto leases and to propose appropriate initiatives that would permit more direct comparison of the base costs of competing lease transactions.

Mr. Speaker, in all these provisions I have tried to incorporate proposals that balance the consumers right to know all relevant information about the terms and costs of automobile leases with the need to minimize the burdens of disclosure for automobile dealers and advertisers. I have also sought to incorporate the best ideas of public agencies and consumer organizations that have studied the problems of consumer leasing, as well as the recommendations of the automobile leasing industry. I do not claim that the proposals in my bill are the only solutions to the problems addressed, nor even necessarily the best approaches. But I believe they will help us to begin a necessary dialog on this important issue.

III. CONCLUSION

My purpose in this bill is to encourage broader understanding of the growing importance of automobile leasing, of the increasing problems in leasing practices and lease advertising, and of the various solutions that are being discussed by public officials in this country and in Canada. And my intent is to encourage as comprehensive a debate as possible in Congress on the complex and timely consumer issues raised by automobile leasing.

My legislation also responds to changes in current auto leasing requirements that were incorporated by the majority in last year's bank regulatory relief legislation. A broad manager's amendment put forward during full committee consideration of this legislation struck some of the more positive initiatives proposed in earlier legislation by Mr. BEREUTER. The amendment replaced these initiatives with provisions designed to create a safe harbor for disclosures made by auto lessors and to limit significantly the civil liability of automobile leasing companies for false disclosures relating to numerous key disclosures for consumers, including descriptions of the property to be leased, additional fees and charges, lease-end liabilities and purchase options. These changes were proposed without congressional hearings and were approved without any oral or written presentation or discussion.

The growing importance of automobile leasing requires that changes in lease disclosure and advertising be given broad and careful consideration by Congress and not become just another hidden giveaway to special interests. In adopting the original Consumer Leasing Act 20 years ago, Congress recognized that applying any lesser standard than full and complete disclosure to automobile leasing is an invitation to abuse and deception. The same considerations should govern what we do today.

The legislation I am introducing simply requires that consumers be given full information about lease transactions in a manner which is understandable and which allows them to make intelligent purchasing decisions. The experiences of the State attorneys general, local consumer affairs offices and consumer organizations suggest that current relations and the methods used by lessors to comply with them, to quote the attorneys general statement, often make it impossible for consumers to make such decisions.

I urge the Congress to initiate broad hearings designed to incorporate all points of view

on issues related to automobile leasing, and I urge my colleagues to give careful consideration to the changes and initiatives proposed in this legislation.

JUSTICE STEPHEN BREYER'S ADDRESS FOR THE 1995 DAYS OF REMEMBRANCE CEREMONY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. LANTOS. Mr. Speaker, on April 16, Members of Congress, members of the diplomatic corps and hundreds of survivors of the Holocaust and their friends gathered here in the Capitol Rotunda for the Days of Remembrance ceremony. The U.S. Holocaust Memorial Council was established by Congress to preserve the memory of the horrors of the Holocaust. I commend the Council and the members of the Days of Remembrance Committee, chaired by my good friend Benjamin Meed, for their vigilant and genuine adherence to their extraordinarily important task.

One of the first acts of the committee was to establish the Days of Remembrance ceremony to mirror similar ceremonies held in Israel and throughout our Nation and the World. This year, the Days of Remembrance ceremony centered on the 50th anniversary of the Nuremberg trials. The ceremony was a reminder of the difficult process of first coping and their healing that all survivors and process of first coping and then healing that all survivors and their families and loved ones had to endure.

At this ceremony I was touched by the especially poignant words of Associate Justice Stephen Breyer. Throughout his life he has committed himself to the guidance of education and the principal of justice. These were the principles that he chose to speak of, so eloquently, during the ceremony.

Therefore, it was befitting that a leader from the highest court of our land address the ceremony commemorating the triumph of justice over barbarity. Justice Breyer stands as a symbol of our country's fervent commitment to the rule of law. His remarks commemorating the 50th anniversary of the Nuremberg Trials will endure as a tribute to those who championed the forces of justice, compassion and equality in an environment where those same qualities were callously disregarded. I ask by colleagues to join me congratulating Justice Breyer on his excellent speech; may its wonderful and inspirational message find its way into the hearts and minds of individuals around the world.

CRIMES AGAINST HUMANITY, NUREMBERG, 1946

(By Stephen Breyer, Associate Supreme Court Justice)

The law of the United States sets aside today, Yom Hashoah, as a Day of Remembrance—of the Holocaust. On Yom Hashoah 1996, we recall that fifty years ago another member of the Court on which I sit, Justice Robert Jackson, joined representatives of other nations, as a prosecutor, at Nuremberg. That city, Jackson said, though chosen for the trial because of its comparatively will-functioned physical facilities, was then ''in terrible shape, there being no telephone communications, the streets full of rubble, with some twenty thousand dead bodies reported to be still in it and the smell of death hovering over it, no public transportation of any kind, no shops, no commerce, no lights, the water system in bad shape.'' The courthouse had been ''damaged.'' Its courtroom was ''not large.'' Over one door was ''an hour glass.'' Over another was ''a large plaque of the Ten Commandments''—a sole survivor. In the dock 21 leaders of Hitler's Thousand Year Reich faced prosecution.

Justice Jackson described the Nuremberg Trial as ''the most important trial that could be imagined.'' He described his own work there as the most important ''experience of my life,'' ''infinitely more important than my work on the Supreme Court, or . . . anything that I did as Attorney General.'' This afternoon, speaking to you as an American Jew, a judge, a Member of the Supreme Court, I should like briefly to explain why I think that he was right.

First, as a lawyer, Robert Jackson understood the importance of collecting evidence. Collecting evidence? one might respond. What need to collect evidence in a city where, only twenty years before, the law itself, in the form of Nuremberg Decrees, had segregated Jews into Ghettos, placed them in forced labor, expelled them from their professions, expropriated their property, and forbid them all cultural life, press, theater, and schools. What need to collect evidence with the death camps that followed themselves opened to a world, which finally might see. ''Evidence,'' one might then have exclaimed. ''Just open your eyes and look around you.''

But the Torah tells us, There grew up a generation that ''knew not Joseph.'' That is the danger. And Jackson was determined to compile a record that would not leave that, or any other future generation with the slightest doubt. ''We must establish incredible events by credible evidence,'' he said. And, he realized that, for this purpose, the prosecution's 33 live witnesses were of secondary importance. Rather, the prosecutors built what Jackson called ''a drab case,'' which did not ''appeal to the press'' or the public, but it was an irrefutable case. It was built of documents of the defendants ''own making,'' the ''authenticity of which'' could not be, and was not ''challenged.'' The prosecutors brought to Nuremberg 100,000 captured German documents; they examined millions of feet of captured moving picture film; they produced 25,000 captured still photographs, ''together with Hitler's personal photographer who took most of them.'' The prosecutors decided not to ask any defendant to testify against another defendant, lest anyone believe that one defendant's hope for leniency led him to exaggerate another's crimes. But they permitted each defendant to call witnesses, to testify in his own behalf, to make an additional statement not under oath, and to present documentary evidence. The very point was to say to these defendants: What have you to say when faced with our case—a case that you, not we, have made, resting on your own words and confessed deeds? What is your response? The answer, after more than 10 months and 17,000 transcript pages, was, in respect to nineteen of the defendants, that there was no answer. There was no response. There was nothing to say. As a result, the evidence is there, in Jackson's words, ''with such authenticity and in such detail that there can be no responsible denial of these crimes in the future and no tradition of martyrdom of the Nazi leaders can arise among informed people.'' Future generations need only open their eyes and read.

Second, as a judge, Robert Jackson understood the value of precedent—what Cardozo called ''the power of the beaten path.'' He hoped to create a precedent that, he said, would make ''explicit and unambiguous'' what previously had been ''implicit'' in the law, ''that to persecute, oppress, or do violence to individuals or minorities on political, racial, or religious grounds . . . is an international crime . . . for the commission [of which] . . . individuals are responsible'' and can be punished. He hoped to forge from the victorious nations' several different legal systems a single workable system that, in this instance, would serve as the voice of human decency. He hoped to create a ''model of forensic fairness'' that even a defeated nation would perceive as fair.

Did he succeed? At the least, three-quarters of the German nation at the time said they found the trial ''fair'' and ''just.'' More importantly, there is cause for optimism about the larger objectives. Consider how concern for the protection of basic human liberties grew dramatically in the United States, in Europe, and then further abroad, in the half century after World War II. Consider the development of what is now a near consensus that legal institutions—written constitutions, bills of rights, fair procedures, an independent judiciary—should play a role, sometimes an important role, in the protection of human liberty. Consider that, today, a half century after Nuremberg (and history does not count fifty years as long), nations feel that they cannot simply ignore the most barbarous acts of other nations; nor, for that matter, as recent events show, can those who commit those acts ignore the ever more real possibility that they will be held accountable and brought to justice under law. We are drawn to follow a path once beaten.

Third, as a human being, Jackson believed that the Nuremberg trials represented a human effort to fulfill a basic human aspiration—''humanity's aspiration to do justice.'' He enunciated this effort in his opening statement to the Tribunal. He began: ''The wrongs which we seek to condemn and punish have been so calculated, so malignant and so devastating, that civilization cannot tolerate being ignored because it cannot survive their being repeated. That four nations flushed with victory and stung with injury, stay the hand of vengeance and voluntarily submit their captive enemies to the judgment of the law is one of the most significant tributes that Power ever has paid to Reason.''

To understand the significance of this statement, it is important to understand what it is not. Nuremberg does not purport to be humanity's answer to the cataclysmic events the opening statement goes on to describe. A visit to the Holocaust Museum (or, for some, to the corridors of memory) makes clear that not even Jackson's fine sentences, eloquent though they are, can compensate for the events that provoked them. But, that is only because, against the background of what did occur, almost any human statement would ring hollow. A museum visit leads many, including myself, to react, not with words, but with silence. We think: There are no words. There is no compensating deed. There can be no vengeance. Nor is any happy ending possible. We emerge deeply depressed about the potential for evil that human beings possess.

It is at this point, perhaps, that Nuremberg can help, for it reminds us that the Holocaust story is not the whole story; it reminds us of those human aspirations that remain a cause for optimism. It reminds us that after barbarism came a call for reasoned justice.

To end the Holocaust story with a fair trial, an emblem of that justice, is to remind the listener of what Aeschylus wrote twenty-five hundred years ago, in his ''Eumenides''—where Justice overcoming the avenging furies, humanity's barbaric selves, promises Athens that her seat, the seat of Justice,

''shall be a wall, a bulwark of salvation, wide as your land, as your imperial state; none mightier in the habitable world.'' It is to repear the Book of Deuteronomy's injunction to the Jewish People: ''Justice, justice shall you pursue.''

And if I emphasize the role of Nuremberg in a story of the Holocaust, that is not simply because Justice Jackson himself hoped that the trial ''would commend itself to posterity.'' Rather, it is because our role—the role of almost all of us—today in relation to the Holocaust is not simply to learn from it, but also to tell and to retell it, ourselves, to our children and to future generations. Those who were lost said, ''Remember us.'' To do that, to remember and to repeat the story is to preserve the past, it is to learn from the past, it is to instruct and to warn the future. It is to help that future, by leading them to understand the very worst of which human nature is capable. But, it is also to tell that small part of the story that will also remind them of one human virtue—humanity's ''aspiration to do justice.'' It is to help us say, with the Psalmist, ''Righteousness and Justice are the foundations of Your Throne.''

TRIBUTE TO THE DIAMOND JUBILEE OF THE VILLAGE OF EDGERTON'S HOMECOMING

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. GILLMOR. Mr. Speaker, it gives me great pleasure to rise today and bring to the attention of my colleagues an important event being held in Edgerton, Ohio, June 19–22. The Village of Edgerton will be celebrating the 75th Diamond Anniversary of the community's homecoming. This annual summer festival is a time for friends and neighbors to get together and honor their community spirit.

A true railroad city, Edgerton was surveyed in 1854 where the proposed Michigan Southern and Northern Indiana Railroad crossed the St. Joseph River. Named after former newspaper editor, Ohio State Senator and U.S. Congressman Alfred P. Edgerton, the city grew quickly. By the end of the Civil War there were two general stores, three saloons, a grocery, hotel, produce dealer, harness shop, house painter, four carpenters, two blacksmiths, and a wagon maker. Through the years, the occupations have changed but the sense of pride in community has remained.

This pride is manifested every summer through the village's homecoming. Throughout its history, Edgerton has been blessed by their enthusiasm and volunteer labor for its many projects. Anniversaries are a time to reflect upon a steadfast tradition of service, they are also a time to look toward new horizons. The residents of Edgerton have made it their responsibility to serve those in need by keeping pace with the ever increasing challenges facing mankind. This summer's celebration honors that heritage.

I ask my colleagues to join me today in recognizing Edgerton's Diamond Anniversary Homecoming and encouraging the residents to continue to set the standard for community involvement in Ohio.

TRIBUTE TO MEND

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. BERMAN. Mr. Speaker, I am honored to pay tribute to Meeting Each Need With Dignity [MEND], which this year celebrates its 25th anniversary of service to the northeast San Fernando valley. With its efforts to provide comprehensive health, educational and employment services, MEND has played an invaluable role in the community. Today it serves as many as 13,000 people per month.

That total is indicative of MEND's growth and success in a quarter-century of operation. As recently as 1987. MEND had a client base of 2,000 people per month. With the increase in population in the area over the past decade, plus cuts in government funding, MEND has been forced to respond to a situation that approached crisis proportions.

In addition to providing general services, the agency offers food, clothing and English-language classes. I cannot imagine what life would be like for the poor, sick, elderly, and aspiring citizens in the northeast valley without the presence of MEND.

Last year MEND expanded its facilities, adding a waiting room, classroom, computer lab, separate medical and dental treatment rooms, a pharmacy, food warehouse and sorting room for clothes. I was particularly impressed that this $1 million expansion was funded entirely by private sources.

MEND has come a long way since its opening in 1971, when Catholic and Protestant church members worked out of their own garages distributing donated food and clothing to poor people in the northeast San Fernando valley.

I ask my colleagues to join me today in saluting MEND, an organization that has done so much for so many over the past 25 years. Its dedication to the community and desire to help is a shining example for us all.

IN HONOR OF JOSE JOSE: A DISTINGUISHED MUSICIAN AND INDIVIDUAL

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to pay special tribute to Jose Jose, a remarkable individual who has distinguished himself by his enormous contribution to Latino music and the Hispanic community. He will be honored during a performance at Radio City Music Hall on May 24, 1996.

Born in Mexico as Jose Romulo Sosa Ortiz, Jose Jose was destined to become a renowned international celebrity. The son of a tenor for the Mexican National Opera Company, Jose Esquival, and a concert pianist, Margarita Ortiz, Jose Jose's talent and interest in music were influenced by the success of his parents.

During the 1950's, Jose Jose's talent began to emerge. He joined the school choir and began performing at local festivals, and important social and sporting events. Upon learning to play the guitar in the early 1960's, he formed a trio along with his cousin and a close friend. Jose Jose's first record received little recognition but he persevered on in his musical career. He began performing at prominent nightclubs like the Tropicana, EL Farolito and Peria Negra, and was soon offered a record deal with RCA Records. Soon after, in 1969, Jose Jose struck it big throughout the Hispanic community with his first hit song, ''La Nave Del Olvido.'' Following the overwhelming success of this single, his career reached heights beyond his dreams.

The sudden success catapulted the singer to international stardom. Throughout the 70's and 80's, he toured major cities in the United States, Puerto Rico, Guatemala, Costa Rica, Brazil and Argentina, and made numerous television appearances performing such renowned hits as ''La Nave Del Olvido,'' ''Secretos,'' ''Lagrimas,'' ''40 y 20,'' ''Gavilan O Paloma,'' and ''El Triste.'' Today Jose Jose serves as an example of self-determination and hard work. His voice has touched the lives of so many and will continue to echo throughout the international community for many years to come.

It is an honor to have such an outstanding entertainer visit the 13th District and to perform at Radio City Music Hall. I ask my colleagues to join me in honoring Jose Jose, an entertainer for the ages.

THE NOVALIC FOUNDATION OF CROATIA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. LANTOS. Mr. Speaker, this Chamber has heard many statements on the horrors that the recent wars on the territory of the former Yugoslavia visited on the peoples of that region. While no side remained blameless in these conflicts, in fact, all sides committed unspeakable crimes, it was certainly the Serb aggressors who showed the world degrees of inhumane cruelty, of barbarism that some of us had hoped would never be used again as tools to settle questions of territory or dominance.

I was one of the Members here who made many of the statements I just referred to as I followed these events closely and felt very strongly about them. Nonetheless, just the other day I was reminded again quite powerfully of the excesses of perverse cruelty in these wars. I was presented with a photo album of some of the churches of Eastern Croatia, the region that is still under Serb occupation. These pictures reminded me that this was not just a political and ethnic war, but it was also a war against culture and religion. The Serb invaders purposefully targeted the churches of the Croat and Hungarian ethnic communities in that region, shelling them with ferocity and great precision. About 67 churches lie partly or fully in ruin in or around the still occupied territories.

Not all news coming from that region is bad, however. These photos of the destroyed churches were presented to me in my office by a remarkable individual, Mr. Antun Novalic, a businessman from the town of Osijek, Croatia, right across a river from the occupied territories. In this area where the wounds of ethnic hatred are still festering, Mr. Novalic has

established a foundation with his own money, dedicated to rebuilding those churches regardless of the creed or ethnicity of the congregations. His plans also include the restoration of the old Jewish cemetery in the village of Vorosmart, an ancient Hungarian settlement in Croatia going back over a millennium. The cemetery suffered no war damage, but it suffered vandalism during the invasion and is generally in a neglected state.

Mr. Novalic was not asking for money in this country, as he told me he wanted to establish a record of accomplishment using his own funds before he would ask for others to contribute. He was here to seek moral support and to inform Americans who care about the fate of that region of the objectives of the Novalic Foundation.

Mr. Speaker, I commend Mr. Novalic for his noble idea and wish every success for his foundation. I wanted my colleagues to know that for every act of destruction, of seeding hatred, someone, somewhere is working selflessly on construction, on restoring ethnic harmony and tolerance. I hope the United States will remain allied to such people and give their efforts all reasonable support.

MACOMB COUNTY BIKE PATH: SHOWING THE POWER OF PARTNERSHIPS

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. BONIOR. Mr. Speaker, at a time when people all across America are looking for new ways to work together for the betterment of our communities, I want to call the attention of my colleagues to a project in my Congressional District that is a shining example of the power of partnerships.

A few years ago, I and others in our area worked together to establish the Macomb Bike/Hike Path. The idea behind the bike path was a simple one—to give people in Clinton Township a recreational resource to use and enjoy. The establishment of the bike path was a community effort, one which brought together the Federal Government, county government, and our neighbors to work together for a common goal.

Simply put, the Macomb Bike Path has been a tremendous success. It is heavily used by joggers, dog walkers, and many others who value it as an important recreational resource. And while many people use the bike path, until last year it was just that—an asphalt path running through a sparse tract of land.

Last year, however, Detroit Edison, as part of their ongoing efforts to improve our environment, agreed to contract with Cal Fleming Landscaping and Metropolitan Forestry Consultants to plant 114 trees along an empty stretch of the Macomb Bike Path. These trees, which are valued at $20,000, include some of the most beautiful kind imaginable, including green ash, red oak, red and amur maples, and flowering crabapple trees.

This donation has gone a long way toward enriching and beautifying the bike path for our community and its residents. On one of my recent trips back home to Michigan, I walked the newly-renovated path and marveled at the beauty of the newly blooming trees.

Also helping out in our efforts to improve the path and care for these trees is the Macomb County Road Commission, the Boy Scouts of America Troop #157, the Bearing Burners Auto Club, the Lake Pointe Nursing Center, the Tree People Community Group, and the Inter-County Drainage Board.

Mr. Speaker, many people worked together to make this project a reality, but I want to give special recognition to several people from Detroit Edison and their contractors: Peggy A. Sorvala, John A. Cretti, Ronald L. McIntyre, Roberta C. Urbani, Paul Stricher, Cal Fleming Landscaping and David Breedlove.

I also would like to recognize Detroit Edison Chairman John Lobbia for his leadership in making projects like this one a reality.

The contributions of these men and women are a shining example of public service. They are truly people who promote and act on the values of our community and have a genuine concern for the people they serve. Their work on the Macomb Bike/Hike Path is an excellent example of what can be accomplished when government, citizens and private industry work together.

PERSONAL EXPLANATION

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. ENGEL. Mr. Speaker, on the evening of May 22, 1996, I was recorded in the affirmative for rollcall vote 190. I should have been recorded in the negative.

PERSONAL EXPLANATION

HON. JIM BUNN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. BUNN of Oregon. Mr. Speaker, due to a thunderstorm, my plane was approximately 2 hours late arriving at National Airport on May 21, 1996. Because of this delay, I was unable to cast my vote on vote numbers 180, 181, and 182.

Had I been present, I would have voted yea on vote 180, nay on vote 181, and yea on vote 182. I ask unanimous consent to have these votes entered into the RECORD at the appropriate place.

SALUTE TO REV. DR. REPSIE M. WARREN OF PHILADELPHIA

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. FOGLIETTA. Mr. Speaker, I rise today to pay special tribute to Rev. Dr. Repsie M. Warren, founder and pastor of the Society for Helping Church to congratulate her on her many years of service to the Philadelphia community.

Reverend Warren, educated at Elizabeth City State University, Philadelphia Antioch University, Philadelphia Lutheran Theological Seminary, and New York Theological Seminary, began her tenure with the Society for Helping Church over 20 years ago. Rev. Warren established the Society for Helping Church in 1976, and the Society for Helping, Inc., a Social Service Agency for the deaf and hearing impaired, in 1977, where she serves as executive director. Reverend Warran has dedicated her life to improving the plight of the people within the Philadelphia community.

Reverend Warren is also an outstanding educator. Since her retirement from teaching in the Philadelphia Public School System, she has become an activist concerned about quality education. Reverend Warren has played a vital role in many programs in the Philadelphia community as the vice chair of the Black Clergy of Philadelphia & Vicinity, Inc. and vice president of the Southeastern Region of One Church One Child. Reverend Warren has been active in religious and community projects, holding memberships in various organizations for community enrichment.

I hope my colleagues will join me today in congratulating Rev. Dr. Repsie M. Warren for her many years of service with Society for Helping Church and the Philadelphia community. I wish the Reverend Warren and the Society for Helping Church the very best as they continue their service to the Philadelphia community.

INTRODUCTION OF ADMINISTRATION'S RETIREMENT PROTECTION ACT

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. GIBBONS. Mr. Speaker, this bill we are introducing today is a good bill. It contains many provisions that will accomplish positive results in our retirement system. It will increase the number of families and individuals who can contribute to their retirement savings through an IRA by approximately 20 million. In addition, it will make retirement benefits available to approximately 10 million small businesses and their employees.

There has been growing concern about the adequacy of the pool of retirement savings available for our aging baby-boom generation. Some studies have indicated that the members of this group are saving at only one-third the rate they will need to retire at a standard of living which is similar to their current standard. This legislation certainly will expand the opportunity for these workers to increase their retirement savings. Also, younger workers could begin saving for retirement at an earlier age under the optional waiver of the initial waiting period for qualification to participate in their employer's plan.

In addition, the simplified 401(k) plan small businesses would be able to offer to their employees under this bill would allow many part-time workers to set aside retirement funds. Under this provision, any worker who makes at least $5,000 for 2 consecutive years would be eligible. This would include many women who are in the work force on a part-time basis because of family responsibilities. Also, a great number of workers maintain part-time hours at some point in their careers for different reasons. This bill would allow them to

continue to save for retirement. This is a major step in the right direction. I applaud this effort.

Last year, the Republicans included a provision in their Balanced Budget Act which would have allowed employers to raid the retirement funds of their employees. President Clinton specifically mentioned that provision, among others, including Medicare and welfare, as a reason for vetoing the bill. This bill contains provisions that are designed to deter employers from engaging in such behavior. This emphasizes our strong commitment to protect and preserve the pensions of hard-working individuals.

Another good feature of this bill is the provision that would ensure that workers of companies which go out of business or workers who left an employer many years earlier would be able to collect their retirement benefits from these employers through the Pension Benefit Corporation [PBGC]. PBGC will act as a clearinghouse for the terminated plans of these employers. This will help many of our workers who otherwise may have no other way of collecting these funds. This provision will have a very positive impact on many workers at a time when they need it most. I strongly support this effort.

I have always supported portability in our pension system. I am very pleased to see that the administration will be taking additional steps to improve the ability of an employee to take his or her retirement account to a subsequent employer. I welcome this effort.

In conclusion, I reiterate my support for this bill, and I look forward to working toward making its goals become reality.

TRIBUTE TO ALBERTUS MAGNUS COLLEGE ON ITS 70TH ANNIVERSARY

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Ms. DELAURO. Mr. Speaker: It is with great pleasure that I rise today to salute Albertus Magnus College on its 70th Anniversary.

Albertus Magnus was founded in 1925 by the Dominican Sisters of St. Mary of the Springs, Columbus, Ohio. It was the first Catholic residential liberal arts college for women in New England.

The College has established a tradition of setting precedents in educational innovation. The New Dimensions Program was established in 1994 and enables students to work and maintain family commitments while obtaining a degree in business administration in only two years. The Tri-Session Plan was implemented in 1993 and allows students to complete their degree program in three years by attending three sessions per academic year instead of two. Although the program is intense and academically rigorous, students are able to save valuable time and money. The program has been cited by leading educators as model to control the ever-rising cost of a college education. These are only two examples of the College's mission to make a liberal arts education both intellectually challenging and accessible.

Throughout all the changes and reforms, Albertus Magnus has remained steadfast in its commitment to the pursuit of knowledge and the liberal arts. Albertus Magnus is dedicated to guiding undergraduates on their academic and intellectual journey. The College strives to provide students with the tools to build their own paradigm for understanding and interpreting the world. Students are taught to engage in the analytical process as they try to understand and then question traditional schools of thought. Graduates of Albertus Magnus leave with the knowledge that life is a journey and that they must never cease to question and explore what they believe to be true.

I am pleased to wish Albertus Magnus congratulations on the 70th Anniversary. I am confident that under the strong leadership of President Julia McNamara the College will move into the 21st century at the forefront of education.

PERSONAL EXPLANATION

HON. HELEN CHENOWETH

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mrs. CHENOWETH. Mr. Speaker, on Thursday, May 16 and Wednesday May 21, I was unavoidably detained and missed rollcall votes 176 and 184.

Had I been here, I would have voted ''no'' on rollcall 176, and ''yes'' on rollcall 184.

I ask unanimous consent to have my statement appear in the appropriate place in the record.

TRIBUTE TO DR. IAN EDWARDS

HON. GREG GANSKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. GANSKE. Mr. Speaker, I would like to bring your attention to the recent travels of Dr. Ian Edwards, president of Toastmasters International.

Dr. Edwards' trip in early May was the first ever presidential visit to the Toastmasters National Capitol District 27. He was elected president of Toastmasters International in 1995 and has been a Toastmaster for over 18 years.

Dr. Edwards and his family currently live in west Des Moines, IA and I am pleased to have such an accomplished public speaker in my district.

THE DATABASE INVESTMENT AND INTELLECTUAL PROPERTY ANTIPIRACY ACT OF 1996

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. MOORHEAD. Mr. Speaker, I rise to introduce the Database Investment and Intellectual Property Antipiracy Act of 1996, a bill to encourage continued investment in the production and distribution of valuable new databases.

Electronic databases, and other compilations of factual material, are absolutely indispensable to the American economy on the verge of the new century. These information products put a wealth of data at the fingertips of business people, professionals, scientists, scholars, and consumers, and enable them to retrieve from this haystack of information the specific factual needle that they need to solve a particular economic, research, or educational problem. Whether they focus on financial, scientific, legal, medical, bibliographic, news, or other information, databases are an essential tool for improving productivity, advancing education and training, and creating a more informed citizenry. They are also the linchpin of a dynamic commercial information industry in the United States.

Developing, compiling, distributing, and maintaining commercially significant databases requires substantial investments of time, personnel, and money. Information companies must dedicate massive resources to gathering and verifying factual material, presenting it in a user-friendly way, and keeping it current and useful to customers. U.S. firms have been the world leaders in this field. The have brought to market a wide range of valuable databases that meet the information needs of businesses, professionals, researchers, and consumers worldwide. But several recent legal and technological developments threaten to cast a pall over this progress, by eroding the incentives for the continued investment needed to maintain and build upon the U.S. lead in world markets for electronic information resources.

Here in the United States, the 1991 Supreme Court decision in Fiest Publications v. Rural Telephone Service Co. marked a tougher attitude toward claims of copyright in databases. While reaffirming that most—although not all—commercially significant databases satisfy the ''originality'' requirement for protection under copyright, the Court emphasized that this protection is ''necessarily thin.'' Several subsequent lower court decisions have underscored that copyright cannot stop a competitor from lifting massive amounts of factual material from a copyrighted database to use as the basis for its own competing product. Database producers are concerned that some of these cases may also cast doubt on the ability of a database proprietor to use contractual provisions to protect against unfair competition from such ''free riders.''

In Europe, a 6-year legislative process culminated earlier this year in the issuance of a European Union Directive on Legal Protection of Databases. Among other things, the Directive creates a new, non-copyright form of legal protection for databases, to supplement copyright. But it denies this new protection to U.S.-originated databases unless the United States is found to offer ''comparable'' protection to European databases. When fully implemented in 1998, the European Directive could place U.S. firms at an enormous competitive disadvantage throughout the entire European market.

At the World Intellectual Property Organization, a growing international consensus supports development of a new international treaty on noncopyright protection for databases, with the possibility of action as early as December 1996. Indeed, this week in Geneva, U.S. negotiators are putting forward a draft for such an international instrument.

In cyberspace, technological developments represent a threat as well as an opportunity

for databases, just as for other kinds of works. Copying factual material from a database, and rearranging it to form a competing information product—just the kind of behavior that copyright protection may not effectively prevent—is cheaper and easier than ever, through digital technology that is now in widespread use.

When all these factors are added together, the bottom line is clear: it is time to consider new federal legislation to protect database developers against piracy and unfair competition, and thus encourage continued investment in the production and distribution of valuable commercial databases. Such legislation could improve the market climate for databases in the United States; ensure protection for U.S. databases abroad on an equitable basis; place the United States on the leading edge of an emerging international consensus; and provide a balanced and measured response to the new challenges of cyberspace. The bill I introduce today aims to advance these goals.

While copyright, on the Federal level, and the State contract law underlying licensing agreements, remain essential tools for protecting the enormous investment in databases from the threat of unfair competition, there are gaps in the protection that can best be filled by a new Federal statute. The Database Investment and Intellectual Property Antipiracy Act would prohibit the misappropriation of valuable commercial databases by unscrupulous competitors who grab data collected by others, repackage it, and market a product that threatens competitive injury to the original database. This new Federal protection is modeled in part on the Lanham Act, which already makes similar kinds of unfair competition a civil wrong under Federal law. It also draws on some of the positive elements of the European directive, and is intended to be fully consistent with the draft international treaty language being put forward by our negotiators in Geneva. Importantly, this bill maintains existing protections for databases afforded by copyright and contract rights. It is intended to supplement these legal rights, not replace them.

The Database Investment and Intellectual Property Antipiracy Act is a balanced proposal. It is aimed at actual or threatened competitive injury from misappropriation of databases or their contents, not at non-competitive uses. The bill contains specific exemptions for use of insubstantial portions of databases for any purpose. The bill specifically allows innovators to create their own databases independently, as a result of their own work and investment, as opposed to ''free riding'' on the work and investment of others. Our goal is to stimulate the creation of even more databases, and to encourage even more competition among them. The bill avoids conferring any monopoly on facts, or taking any other steps that might be inconsistent with these goals.

Some sections of this bill are modeled closely on the non-copyright provisions of H.R. 2441, the NII Copyright Protection Act of 1995, as introduced last fall. As these provisions in the NII legislation are refined and improved in the legislative process, I anticipate that conforming changes would be made to the corresponding provisions of the Database Investment and Intellectual Property Antipiracy Act as well.

This legislation provides the starting point for legislative activity on an important and complex subject. I look forward to hearing the suggestions and reactions for interested parties, and of my colleagues, in the near future, and to working with the Administration to strengthen protections for U.S. databases both at home and around the world.

TRIBUTE TO RUTH NUSSBAUM

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. BERMAN. Mr. Speaker, I am honored today to pay tribute to my good friend Ruth Nussbaum, who was a fervent supporter of Israel even before the founding of the country in 1948. She has worked tirelessly and dedicated much of her life to Israel and the Jewish people. Ruth is a dear friend of my uncle, Jack Shapiro and I have often heard him speak of her with great affection and respect. Jack and his late wife, my aunt Dora had tremendous admiration for the work done by Ruth and her late husband, Rabbi Max Nussbaum.

Born in Berlin, Ruth and her family emigrated to the United States from Germany in 1940, as Hitler's plans for the Jews became clear. They settled first in Oklahoma, where Max was rabbi at Temple Beth Ahava, and then moved to Los Angeles in September 1942. Soon after arriving in Los Angeles Max became rabbi at Temple Israel of Hollywood, and Ruth settled into a lifetime of activism.

From her first year in America, she enlisted in efforts to save European Jews from the Nazis. Her goal was getting the Jews to Palestine. After World War II, she became involved in the movement to lift immigration limitations in Palestine, and the establishment of Israel as an independent nation.

Following the death of Rabbi Nussbaum in 1974, Ruth increased her activities on behalf of Israel. She served for many years as Zionist affairs and program chair for the Los Angeles Chapter of Hadassah, and was chair of Israel Bonds' Women's Division and Advisory Council. In 1977 she was a founding member of the Association of Reform Zionists of America [ARZA], the Zionist affiliate of the Union of American Hebrew Congregations.

Ruth has visited Israel at least 20 times, attending missions, serving as a delegate to the World Zionist Congress and visiting her nieces and nephews. In this way she combines love for her family with love for her people.

I ask my colleagues to join me today in honoring Ruth Nussbaum, a woman whose selflessness and dedication is a shining example for us all. I am proud to be her friend.

THE HONORABLE SID YATES AT THE DAYS OF REMEMBRANCE CEREMONY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. LANTOS. Mr. Speaker, on April 16, Members of Congress, members of the Diplomatic Corps and hundreds of survivors of the Holocaust and their friends gathered here in the Capitol Rotunda for the National Days of Remembrance commemoration. The United States Holocaust Memorial Council was established by Congress to preserve the memory of the victims of the Holocaust. I commend the Council and the members of the Days of Remembrance Committee, chaired by my good friend Benjamin Meed, for their vigilant and genuine adherence to their extraordinarily important task.

One of the first acts of the Council was to establish the annual Days of Remembrance commemoration to mirror similar observances held in Israel and throughout our nation and elsewhere in the world. This year, the commemoration centered on the 50th anniversary of the Nuremberg trials. The observance was a reminder of the difficult process of first coping and then healing that all survivors and their families and loved ones had to endure.

Our senior colleague, SID YATES, who himself served with distinction in the Navy in World War II, delivered a very poignant speech at the ceremony. I was so moved by his powerful speech that I invite my colleagues to take a moment to read his remarks.

THE DAYS OF REMEMBRANCE CANDLE LIGHTING CEREMONY

(By Sidney R. Yates)

''The first to perish were the children,'' said poet Yitzshak Katzenelson, himself a victim of the Nazis, and a witness to their destruction.

French author, Francois Mauriac who lived in occupied France said: ''Nothing I have seen during these somber years left so deep a mark upon me as those hundreds, of Jewish children standing in Austerlitz station.''

15.000 children were sent to Terezin concentration camp. Only 100 survived. Jiri Weil writes of these children: ''Only the drawings and the poems—that is all that is left of these children, for their ashes have long since sifted across the fields around Auschwitz.''

How could any person—kill innocent children—not 1 or 20 or 100—but 1.5 million children were exterminated by the Nazis.

We cannot forget the insane butchery of our young. We mourn for them—for their mothers and fathers and brothers and sisters—and we mourn for ourselves, for having lost them.

Today as we light the candles we will honor members of the staff who prosecuted the German leaders at The Nuremberg Trials for crimes unprecedented in human history. Unprecedented, yes, and also unspeakable.

As these candles are lighted we remember the victims of Nazi viciousness.

As we light these candles we will be remembering the children whose lives were snuffed out.

There is no punishment adequate for the crimes against the children. There is only our memory to keep them alive—forever.

We will Remember the Children.

ABERCROMBIE GUILD OF CHRIST HOSPITAL HONORED FOR 120 YEARS OF CONTINUOUS SERVICE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to the Abercrombie Guild of Christ Hospital for 120 years of service to the residents of Jersey City. A special ceremony to celebrate the guild's accomplishments will be held at the Liberty Science Center on May 23, 1996.

Formerly called the ladies' Hospital Guild, the organization we honor today was formed in 1874 by a group of 20 women. They began by making clothing for the sick children in the hospital. As the needs of the hospital changed, so did the guild. In 1887, the daisy ward, a pediatrics ward, was established in the hospital. Since then, the guild has devoted much of its time and efforts to creating a comfortable environment for the children in this ward. Through the years, the guild has strived to make the lives of the patients and the hospital community a little better.

The guild was incorporated and named after one of the founders and presidents of Christ Hospital, Rev. Richard Mason Abercrombie. As a corporation, the guild is devoted to securing money and supplies for the hospital with special care given to the children's ward, of which Christ Hospital is particularly proud. The funds donated and bequeathed to the guild greatly benefit these children. The moneys are used to provide the children with the medical attention needed.

The Guild also provides a number of other valuable services, including a monthly news letter known as the Daisy and a burial fund that is administered by the burial committee. The burial fund provides a final resting place for impoverished patients who have died in the hospital. In addition, the chapel committee, which provides Holy Communion and other religious services, and the sewing committee, which provides made and mended clothing, are the most commonly known features of the guild.

I ask my colleagues to rise and join me in honoring the Abercrombie Guild. The services and help the guild has provided the children and patients of Christ Hospital are truly extraordinary.

HONORING GRATIOT PARK UNITED METHODIST CHURCH

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to the men and women of the Gratiot Park United Methodist Church in Port Huron, MI. This Sunday, I and many others from Michigan's Bluewater area will gather at the church to dedicate a marker celebrating the importance of that structure in the history of our community and our State.

The origins of the Gratiot Park United Methodist congregation can be traced back to the time of the construction of Fort Gratiot in 1814, and the early days of the church are tied to the growth of the fort.

Records of the time show that circuit riders regularly traveled through the wilderness to preach at Fort Gratiot. Accounts also indicate that the early congregation survived a devastating cholera outbreak in 1832 that nearly wiped out the entire territory.

In 1859, the Reverend A.E. Ketchum established a Methodist class at the Fort Gratiot Mission. Brothers ventured to remote areas of Michigan seeking new members for the community.

The site of today's Gratiot Park United Methodist Church was first surveyed in 1834, and changed ownership several times before being purchased in trust for the church in July 1866.

In 1968, the church was formally renamed the Gratiot Park United Methodist Church.

The Bluewater area is far different today than it was in the times of Fort Gratiot. Where once pioneers struggled to settle the land, today Port Huron is a thriving city and a growing center of commerce. But despite decades of change, the Gratiot Park United Methodist Church still stands as a part of our community and part of the lives of our people.

It has seen the deep divisions created by the Civil War and witnessed the inventions of Thomas Edison.

It has stood through the dawn of the Grant Trunk Railroad and the boom of the shipping and lumber industries and the growth of Port Huron.

And through it all, the church and its congregation have stood as a source of strength and fellowship for the people of our area.

Mr. Speaker, the marker that the Michigan Historical Center has affixed to this structure is a fitting tribute to the Gratiot Park United Methodist Church and a source of great pride for the entire Port Huron community.

I hope that my colleagues will join me in recognizing this important designation.

PERSONAL EXPLANATION

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. ENGEL. Mr. Speaker, I was unavoidably absent from rollcall vote 191 due to emergency dental work. Had I been present, I would have voted in the affirmative.

SMALL BUSINESS JOB PROTECTION ACT OF 1996

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1996

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today to speak in support of H.R. 3448 and to not only lend my support for it, but to also discuss how this legislation is a textbook example of opportunity missed. Mr. Speaker, while this bill makes several important changes to the current law in areas such as pensions, equipment investment, and educational tax-deductions, there are other changes not included which could have made it much better legislation and much better for the American people.

One of the most important issues this bill addresses is that of employee pensions. Under this legislation, employees of tax-exempt organizations, will for the first time, be eligible for 401(k) plans. In addition, firms with less than 100 workers would be permitted to set aside pension funds for workers without satisfying many of the complex reporting standards they must now meet for contributions to 401(k) plans. Finally, Mr. Speaker, this bill addresses the needs of union workers such as construction workers who frequently change jobs. This legislation corrects problems for small businesses and their employees which are long overdue. Now, those who were previously unable to take advantage of retirement options solely due to their occupation can now.

Mr. Speaker, this bill also provides tax incentives for businesses to hire employees on welfare, high-risk youth, qualified veterans or qualified summer youth employees. I have spoken a great deal on this floor about summer jobs and while I am extremely opposed to Republican efforts to eliminate the Summer Jobs Program, I am pleased that this provision was included. I am gratified to see that the majority party recognizes the fact that these populations sometimes need assistance in obtaining work and I believe that the work opportunity tax credit is one more method by which we can give honest people a chance at a job.

While these are good initiatives, this bill does not go far enough. The legislation will allow individuals to deduct up to $5,250 per year for employer-provided educational assistance for undergraduate tuition, but what about graduate education? Do not people who pursue advanced degrees deserve the same opportunity? This indeed seems like a case of education bigotry. During committee markup of this bill, my Democratic colleague, Mr. LEVIN tried to address this issue with an amendment to include graduate education. After initially agreeing to the amendment, the Republican Members changed their vote to defeat it.

Also missing from this bill are pension provisions contained within the Gephardt-Daschle proposal which would improve the bill even further by allowing penalty-fee IRA withdrawals for education and training, first home purchases, major medical expenses, and during long-term unemployment.

Mr. Chairman, this bill is good and I support it, but it could be and deserves to be better than it is.

SMALL BUSINESS PERSON OF THE YEAR

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. STUPAK. Mr. Speaker, it is an honor for me to bring to the attention of this body and the nation an individual who has truly made a difference in his local area and who, along the way, has helped so many others. Mr. Paul R. Argall, President of PCBM Management Company, Inc., in Ishpeming, Michigan began with a dream, a goal, an idea and has molded that into one of the most successful business operations in the Upper Peninsula of Michigan. For his efforts, Mr. Argall has been named Michigan Small Business Person of the Year by the United States Small Business Administration, a honor well deserved.

Mr. Argall first distinguished himself as a Certified Public Accountant, opening his own firm in 1978. Realizing that his home town of Ishpeming, like other small communities in the Upper Peninsula, was on an economic decline, Paul moved forward in 1984 by establishing PCBM Management Company that formed the foundation for a dream that he believed would not just provide jobs for so many local residents, but would be the primary source of economic development for the area.

The goal was to build a village within the city that would include various businesses to support local tourism. Following the acquisition in1987 of some 35 acres of land along US–41, the first of what would be many new small businesses began with the Pamida Discount Center, a 40,000 square foot department store that created 50 new jobs. A fifty room hotel and 165 seat restaurant was then added in 1989 and the Country Village Plaza began to take shape. Since then, many new businesses have opened including other restaurants, grocery stores, a bowling center, banks, laundromats, bookstores and many other shops.

PCBM Management itself has grown considerably, as well, to now six subsidiaries and is recognized in the area a leading real estate development company. The company has grown to over 120 employees who oversee annual sales of nearly $3.5 million and in 1994 made the Inc. 500 as well as the Michigan private 100, a list of the state's fastest growing companies. Further, in 1995, PCBM was recognized by the Michigan Jobs Commission for its long standing commitment to Michigan and to Ishpeming.

As good as this company is, it was the foresight of and guidance by Paul Argall that has provided the foundation for its growth. A strong family man, an active member of his church and other charitable organizations, Paul deserves not just the title of Small Business Person of the Year, but the thanks of so many people in the Ishpeming area.

Mr. Speaker, on behalf of the Ishpeming area, the Upper Peninsula and the entire state of Michigan, I congratulate Mr. Paul Argall and PCBM Management Company on a job well done.

RECOGNIZING JAMES R. NUNES

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. BAKER of California. Mr. Speaker, for more than three decades, James R. Nunes has served as an officer of the law. Since 1979, he has been chief of the Pleasant Hill, CA Police Department in my home district. Now, after 37 years as a police officer, first with the military and then with three different cities, he is retiring from the force.

Throughout his career, Chief Nunes has worked to make our streets safer, our communities stronger, and our children's future brighter. He knows the meaning of long nights, hard work, and personal sacrifice. His many community activities further reflect his commitment to the citizens of the East Bay, and are indicative of his devotion to the building of a better society.

Those who work for public safety know that a secure society does not come cheaply. It is the product of vigilance, perseverance, and foresight. These are the qualities that have typified Chief Nunes' service. It is my sincere hope that Chief Nunes will enjoy a well-deserved retirement from the force. His contributions have been both formidable and enduring, and I know all of my colleagues will join me in wishing him every good thing in the days ahead.

MEMORIAL DAY 1996—ANOTHER VIEWPOINT

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. FILNER. Mr. Speaker, I rise to place into the CONGRESSIONAL RECORD the following thoughts by Robert Sniffen, a U.S. Navy veteran who has served as a veteran's advocate for the past 27 years. He has held veteran-related positions in the U.S. Department of Labor and in the Center administration. He has also served as the national service and legislative director of AMVETS. Currently, Mr. Sniffen is chairman of the board for San Diego Veterans' Service, a southern California nonprofit organization dedicated to the needs and concerns of California's veterans.

Memorial Day will soon signal the traditional salute to pay homage, tribute, and honor to our nation's men and women who have made the ultimate sacrifices on behalf of the freedoms we all enjoy. Beautiful, emotion charged ceremonies, largely attended by veterans and their families, will be encapsulated into micro-second broadcast news clips and short print articles including photos for public consumption.

For those who deal daily with the survivors of military service, Memorial Day is also an appropriate date on which to inform and educate the public as to the status of the needs, issues, and concerns of veterans who have survived military service.

To date, potential legislation is floating upward in Congress to establish a Commission to evaluate programs of the federal government that assist members of the armed forces and veterans in readjusting to civilian life. It will be known as the ''Commission on Service Members and Veterans Transition Assistance''. Of the hundreds of pages of veteran legislation introduced before Congress, this ''Commission on Veterans'' is the most vital. Veteran organizations and veteran advocates must hold both presidential candidates responsible for obtaining such a commitment, before the November elections. Veterans must demand action now, or this landmark legislation will never see the light of day.

If fully enacted, the Commission will conduct a bottom-up review of programs intended to assist veterans. Veteran advocates view this potential landmark legislation as a G.I. Bill of Rights review, as well as the reading of the fine print that violates the Sacred Government Contract made with each military inductee. Those who support veteran entitlements should contact their Congressional representatives and seek their support in creating this new Commission, which will evaluate and upgrade the earned entitlements of our military personnel and our veterans.

Across America, our military personnel and veterans are disproportionately suffering the ill effects of military down-sizing, base closures, industry collapses in the defense and aerospace industries, and corporate down-sizing to increase profits. Military families and veterans are receiving food stamps; homeless veterans continue to roam the streets they fought to protect; thousands of fully qualified veterans are grossly disadvantaged economically, facing the ravages of unemployment and under-employment. Still others are shut out of the market place due to lack of re-training. There is little call for infantry or weapons skills in the high-tech information era. Training and re-training veterans must be a top priority.

Meanwhile, only three million of the twenty-eight million living veterans actually access medical treatment from the veterans medical system. Budget and deficit reductions and streamlining of the VA programs through reorganization will adversely impact senior veterans, whose numbers will grow as rapidly as their current and future medical needs explode.

While most veterans are successful and arise each day to run America, some veterans need help to reintegrate into a civilian society, as well as to overcome adverse economic factors.

Thousands, currently in the military, are shifted daily from the military pay line, to the unemployment line, becoming a family ''at risk'' who, then, may soon become the ''new'' homeless.

Veterans are being told by the Washington beancounters and Congress that veterans must sustain their share of budget cuts. It is believed that most Americans would agree that our veterans ''paid in full'' at the entry and exit doors of military service.

As the American public makes way for the beaches, mountains, and resorts on Memorial Day, veterans and their families will pause to salute our fallen heroes. Veteran organizations and their leaders will ensure that the tributes occur as their solemn duty. It is these Americans who will give appropriate thought to the survivors and non-survivors. All Americans should give greater reflection to questioning our nation's commitment, to those who have contributed most to America's ongoing survival.

Many this Memorial Day will be asking, ''Why has the contract with America's veterans been broken?'' ''How do we reinstate adequate programs for veterans in a country that now seems to approve the popular notion of budget cuts, even at great expense to those who served, survived, and now, more than ever, need our help?''

America is Number One, Thanks to Veterans, and other governmental agency slogans, such as Putting Veterans First are again singing, ''When Johnny Comes Marching Home,'' while the budget cut ''ax murderers'' blindly cut veterans' programs.

Thus, wherever one finds themselves this Memorial Day, these are thoughts worth considering—and acting upon. As Memorial Day proceeds, veterans not active in a veteran's organization may wish to consider membership in a group of their choice, and thought should be given as to methods of citizen support for veteran programs, i.e., through volunteer participation, assistance with monetary needs for local veteran organizations that serve veterans, and letting the appropriate political leaders know that veteran programs should be the first saved—and the last cut—in current and future budget considerations.

We need to remember those men and women who are in eminent danger in Bosnia, Korea, Liberia and other potential conflict sites for future veterans that will need to be honored at future Memorial Day ceremonies.

Amidst the flood of broadcast and newspaper media of the business world's ''tribute'' to another holiday sales/marketing opportunity, American needs to ''refocus'' its moral compass, directly upon those political leaders and candidates, to determine who will recognize and reverse the governmental failures over the many years before the next veteran-related holiday arrives in November of this year.

Memorial Day 1996 is, indeed, an excellent occasion to remind ourselves that this year we should salute our fallen dead and also pay a living tribute to those who did survive—only to return at a time when most Americans had lost respect and support for those who make democracy possible, worldwide and locally.

Thoughts, ideas, suggestions, and rejoinders that ''Freedom is not Free'' is designed to provoke countrymen to take positive addition to reverse the demise of the importance of protecting, rather than slashing costs—that are the aftermath of this Memorial Day * * * and future Memorial Days to come.

Let us all utilize this sacred, heartfelt day of tribute as the starting point in reinitiating dedication to keeping our commitments to veterans and their families, by insisting that government revitalize, not kill veteran's programs, as Memorial Day 1996 approaches.

The very future of America may depend upon these veteran-related issues.

REPEALING THE 4.3 CENT GASOLINE TAX

HON. TOM A. COBURN

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. COBURN. Mr. Speaker, due to circumstances beyond my control, I was not physically able to cast my vote for H.R. 3415, which repealed the 4.3 cent gasoline tax implemented in 1993. At this time, I would like to take this opportunity to submit my opinion on this issue for the record.

Tax relief—in order to be truly effective—must do two things. First, it must be meaningful relief; people must be able to reap the benefits of Congress' actions. Second, it must be paid for with real dollars, not with creative bookkeeping or irresponsible offsets.

I am committed to tax relief. The American people are overburdened with federal, state, and local taxes but don't see the returns for their investment. In fact, May 7, just two weeks ago, marked ''National Tax Freedom Day'' where people stopped handing over their paycheck to Uncle Sam and started working for themselves. Clearly, tax relief is important, necessary, and well deserved.

I do not support the 1993 decision to raise gasoline taxes 4.3 cents a gallon to finance irresponsible government spending. Dollars collected from fuel taxes should be spent only on infrastructure, not on pet projects or wasteful, duplicative federal programs. It stand to reason that ideally, the gas tax should be repealed.

But it troubles me that tax relief—in this case, repealing the gas tax—has become a political football. I do not believe people will truly benefit from this token gesture. I question the timing of the gas tax repeal: if gas taxes were too high, why didn't Congress attempt to repeal them six months ago, when the price of gasoline was at an all-time low? I find it curious that this issue has only been addressed during an election year . . . and if repeal of the tax is truly necessary, then why is it temporary? Shouldn't tax relief last beyond the 1996 elections? And how are we planning to address the loss of revenue to the federal treasury? Auctioning the spectrum is neither a real nor a responsible option. The criteria for tax cuts—meaningful relief which is paid for—have not been met.

While I disagree with H.R. 3415, I am also opposed to the Administration's ''solution.'' Selling 12 million barrels of oil from the Strategic Petroleum Reserve won't lower gasoline prices—in fact, it will COST the American taxpayers $144 million dollars. The President's response to rising gasoline prices is politically motivated as well. This is a superficial, cosmetic action which will do nothing to truly lower gasoline prices.

Furthermore, I strongly believe that neither Congress nor the President should be in the business of regulating gasoline prices, just like the federal government should not regulate the price of other commodities like wheat, corn, or sugar. Instead, the market should be allowed to function. History shows that fuel prices traditionally rise in the spring but fall and level out after a few weeks. 1996 is no different. Already, consumers are watching prices go down, although not as quickly as they might like.

Mr. Speaker, had I been able to cast my vote on this piece of legislation, I would have voted ''no.'' I cannot support a politically motivated tax cut which will not significantly aid the American consumer. This is a tax cut package tied up with pretty ribbons—but when the taxpayers open it, they see an empty box, not the true savings Congress has promised.

I feel this is another example of election-year politics, not genuine reform. I want to tell the people of Oklahoma's second district that Congress reduced their tax burden, but I want them to be able to see the difference in their bankbook at the end of the month. I cannot vote for a gimmick which makes politicians look good but doesn't actually help the people who put them in office. I don't believe that temporarily repealing the 1993 gasoline tax will do much to lift the tax burden from the shoulders of the American people; therefore I cannot support it.

Daily Digest

HIGHLIGHTS

Senate passed Congressional Budget Resolution.

Senate

Chamber Action

Routine Proceedings, pages S5507–S5633

Measures Introduced: Twenty-six bills and four resolutions were introduced, as follows: S. 1796–1821, S. Res. 256, and S. Con. Res. 60–62. **Pages S5566–67**

Measures Reported: Reports were made as follows:

S. 39, to amend the Magnuson Fishery Conservation and Management Act to authorize appropriations, to provide for sustainable fisheries, with an amendment in the nature of a substitute. (S. Rept. No. 104–276)

H.R. 1880, to designate the United States Post Office building located at 102 South McLean, Lincoln, Illinois, as the ''Edward Madigan Post Office Building''.

H.R. 2262, to designate the United States Post Office building located at 218 North Alston Street in Foley, Alabama, as the ''Holk Post Office Building''.

H.R. 2704, to provide that the United States Post Office building that is to be located on the 2600 block of East 75th Street in Chicago, Illinois, shall be known and designated as the ''Charles A. Hayes Post Office Building''.

H.R. 2980, to amend title 18, United States Code, with respect to stalking. **Page S5566**

Measures Passed:

Adjournment Resolution: Senate agreed to S. Con. Res. 60, providing for a conditional adjournment or recess of the Senate and the House of Representatives. **Page S5519**

Production of Committee Records: Senate agreed to S. Res. 256, to authorize the production of records by the Select Committee on Intelligence. **Page S5632**

Congressional Budget: By 53 yeas to 46 nays (Vote No. 156), Senate agreed to H. Con. Res. 178, establishing the congressional budget for the United States Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002, after striking all after the resolving clause and inserting in lieu thereof the text of S. Con. Res. 57, Senate companion measure, and after taking action on amendments proposed thereto, as follows: **Pages S5508–51**

Adopted:

Thompson Amendment No. 3981, to express the sense of the Senate on the funding levels for the Presidential Election Campaign Fund. **Page S5510**

Domenici (for Faircloth) Amendment No. 4023, to express the sense of the Senate that any comprehensive legislation sent to the President that balances the budget by a certain date and that includes welfare reform provisions shall also contain to the maximum extent possible a strategy for reducing the rate of out-of-wedlock births and encouraging family formation. **Page S5516**

Exon (for Biden) Amendment No. 4037, to provide for the Senate's support for Federal, State and local law enforcement. **Pages S5516–18**

Harkin (for Specter) Amendment No. 4012, to restore funding for education, training, and health programs to a Congressional Budget Office freeze level for fiscal year 1997 through an across the board reduction in Federal administrative costs. **Pages S5508–09, S5518–19**

By 76 yeas to 24 nays (Vote No. 153), Domenici Modified Amendment No. 4027 (to Amendment No. 4012), to adjust the fiscal year 1997 non-defense discretionary allocation to the Appropriation Committee by $5 billion in budget authority and $4 billion in outlays to sustain 1996 post-OCRA policy. **Pages S5518–19**

By 57 yeas to 43 nays (Vote No. 154), Exon (for Roth) Amendment No. 4025, to express the sense of the Senate regarding the funding of Amtrak. **Pages S5519–20**

Domenici (for McCain) Amendment No. 4022, to express the sense of the Senate regarding Spectrum

auctions and their effect on the integrity of the budget process. **Pages S5516, S5533–38**

Rejected:

Bumpers Amendment No. 4014, to eliminate the defense firewalls. (By 57 yeas to 41 nays (Vote No. 147), Senate tabled the amendment.) **Pages S5510–11**

Simpson (for Kerrey) Amendment No. 4016, to express the sense of the Senate on long term entitlement reforms. (By 63 yeas to 36 nays (Vote No. 149), Senate tabled the amendment.) **Page S5512**

By 46 yeas to 53 nays (Vote No. 150), Chafee/Breaux Amendment No. 4018, in the nature of a substitute. **Pages S5512–15**

Feingold Amendment No. 3969, to eliminate the tax cut. (By 57 yeas to 43 nays (Vote No. 151), Senate tabled the amendment.) **Pages S5515–16**

By 45 yeas to 54 nays (Vote No. 155), Byrd Amendment No. 4040, to improve our water and sewer systems, national parks and Everglades, to be offset by closing corporate loopholes and changes in tax expenditures. **Pages S5521–25**

Withdrawn:

Murkowski Amendment No. 4041 (to Amendment No. 4022), to express the sense of the Senate regarding the filing of a legal brief. **Pages S5533–38**

During consideration of this measure, Senate also took the following action:

By 57 yeas 41 nays (Vote No. 148), three-fifths of those Senators duly chosen and sworn, Senate rejected a motion to waive the Congressional Budget Act of 1974 with respect to consideration of Murkowski Amendment No. 4015, to prohibit sense of the Senate amendments from being offered to the budget resolution. Subsequently, a point of order that the amendment was in violation of section 305(b) of the Congressional Budget Act was sustained, and the amendment thus fell. **Pages S5511–12**

By 53 yeas to 47 nays (Vote No. 152), upon appeal, Senate upheld a ruling of the Chair which failed to sustain a point of order that the resolution, as drafted, did not constitute a ''budget resolution''. **Page S5516**

Senate insisted on its amendment, requested a conference with the House thereon, and the Chair was authorized to appoint the following conferees: Senators Domenici, Grassley, Nickles, Gramm, Bond, Gorton, Exon, Hollings, Johnston, and Lautenberg. **Pages S5538, S5550**

Subsequently, S. Con. Res. 57 was returned to the Senate calendar. **Page S5550**

Defend America Act—Cloture Filed: A motion was entered to close further debate on the motion to proceed to the consideration of S. 1635, to establish a United States policy for the deployment of a national missile defense system and, by unanimous-consent agreement, a vote on the cloture motion will occur on Tuesday, June 4, 1996. **Page S5627**

Committee Authority: All committees were authorized to file executive and legislative reports during the adjournment of the Senate on Wednesday, May 29, 1996, from 11 a.m. until 2 p.m. **Page S5632**

Messages From the President: Senate received the following messages from the President of the United States:

Transmitting, a draft of proposed legislation entitled ''The Retirement Savings and Security Act''; to the Committee on Finance. (PM–150). **Pages S5564–65**

Nominations Received: Senate received the following nominations:

Jeanne Givens, of Idaho, to be a Member of the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development for a term expiring October 18, 2002.

Keith R. Hall, of Maryland, to be an Assistant Secretary of the Air Force.

Kerri-Ann Jones, of Maryland, to be an Associate Director of the Office of Science and Technology Policy.

Gerald S. McGowan, of Virginia, to be a Member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1998.

Pete Peterson, of Florida, to be Ambassador to the Socialist Republic of Vietnam.

Franklin D. Raines, of the District of Columbia, to be Director of the Office of Management and Budget.

J. Davitt McAteer, of West Virginia, to be Solicitor for the Department of Labor.

Jerry M. Melillo, of Massachusetts, to be an Associate Director of the Office of Science and Technology Policy.

John Stern Wolf, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as U.S. Coordinator for Asia Pacific Economic Cooperation (APEC).

Heidi H. Schulman, of California, to be a Member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring January 31, 2002. **Page S5633**

Messages From the President:– **Pages S5564–65**

Messages From the House:– **Page S5565**

Measures Referred:– **Page S5565**

Measures Placed on Calendar:– **Page S5565**

Communications:– **Pages S5565–66**

Executive Reports of Committees:– **Page S5566**

Statements on Introduced Bills:– Pages S5567–S5600

Additional Cosponsors:– Pages S5600–01

Amendments Submitted:– Pages S5603–10

Notices of Hearings:– Page S5610

Authority for Committees:– Pages S5610–11

Additional Statements:– Pages S5611–23

Notice of Proposed Rulemaking:– Pages S5552–56

Record Votes: Ten record votes were taken today. (Total–156) Pages S5511–12, S5515–16, S5518–20, S5525, S5538

Adjournment: Senate convened at 12 noon, and adjourned at 7:46 p.m., until 11:30 a.m., on Friday, May 24, 1996.

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—U.N./USIA

Committee on Appropriations: Subcommittee on Commerce, Justice, State, the Judiciary and Related Agencies concluded hearings on proposed budget estimates for fiscal year 1997, after receiving testimony in behalf of funds for the United Nations from Madeleine K. Albright, United States Representative to the General Assembly of the United Nations; and in behalf of funds for the United States Information Agency from Joseph Duffey, Director, United States Information Agency; and David Burke, Chairman, Broadcasting Board of Governors, Department of State.

APPROPRIATIONS—CBO/CAPITOL POLICE

Committee on Appropriations: Subcommittee on Legislative Branch held hearings on proposed budget estimates for fiscal year 1997 for certain activities of the Legislative Branch, receiving testimony from June E. O'Neill, Director, Congressional Budget Office; and Howard O. Green, Jr., Senate Sergeant-at-Arms, Gary Albrecht, Chief, Capitol Police, and Wilson Livingood, Chairman, Capitol Police Board, all on behalf of the United States Capitol Police.

Subcommittee will meet again on Friday, June 14.

APPROPRIATIONS—EPA

Committee on Appropriations: Subcommittee on VA, HUD, and Independent Agencies held hearings on proposed budget estimates for fiscal year 1997 for the Environmental Protection Agency, receiving testimony from Carol M. Browner, Administrator, EPA.

Subcommittee recessed subject to call.

BUSINESS MEETING

Committee on the Judiciary: Committee ordered favorably reported the following business items:

S. 483, to amend Federal copyright provisions regarding preemption of laws concerning duration of copyrights, with an amendment in the nature of a substitute;

H.R. 2980, to prohibit and prescribe penalties for interstate stalking; and

The nomination of J. Rene Josey, to be a United States Attorney for South Carolina.

RESPONSIBLE FATHERHOOD

Committee on Labor and Human Resources: Subcommittee on Children and Families held hearings to examine initiatives to encourage responsible fatherhood, receiving testimony from Wade F. Horn, National Fatherhood Initiative, Lancaster, Pennsylvania; David Popenoe, Rutgers University, New Brunswick, New Jersey; Charles Ballard, National Institute for Responsible Fatherhood and Family Development, Washington, D.C.; and Randy Phillips, Promise-Keepers, Boulder, Colorado.

Hearings were recessed subject to call.

VETERANS BENEFITS PROGRAMS

Committee on Veterans Affairs: Committee concluded hearings on proposed legislation to provide a cost-of-living adjustment in rates of disability compensation and dependency and indemnity compensation, S. 281, to change the date for the beginning of the Vietnam Era for the purpose of veterans benefits from August 5, 1964 to December 22, 1961, S. 749, to revise the authority relating to the Center for Minority Veterans and the Center for Women Veterans of the Department of Veterans Affairs, S. 993, to provide for cost-savings in the housing loan program for veterans, and to limit cost-of-living increases for Montgomery GI bill benefits, S. 994, to clarify the eligibility of certain minors for burial in national cemeteries, S. 995, to restrict payment of a clothing allowance to incarcerated veterans, S. 996, Veterans' Insurance Reform Act, S. 1131, to authorize the provision of financial assistance to insure that financially needy veterans receive legal assistance in connection with proceedings before the U.S. Court of Veterans Appeals, S. 1342, to authorize the Secretary of Veterans Affairs to make loans to refinance loans made to veterans under the Native American Veterans Direct Loan Program, S. 1711, to establish a commission to evaluate the programs of the Federal Government that assist members of the Armed Forces and veterans in readjusting to civilian life, S. 1748, to permit the Secretary of Veterans Affairs to reorganize the Veterans Health Administration, S. 1749, to make technical changes in certain provisions relating

to construction-project terminology, S. 1750, to modify disbursement agreement authority to include residents and interns serving in any VA facility providing hospital care or medical services, S. 1751, to revise the procedure for providing claimants and their representatives with copies of Board of Veterans' Appeals decisions, S. 1752, to exempt full-time registered nurses, physician assistants, and expanded-function dental auxiliaries from restriction on remunerated outside professional activities, S. 1753, to suspend a special pay agreement for physicians and dentists who enter residency training programs, and Titles II and III of H.R. 2289, Veterans Housing, Employment Programs, and Employment Rights Benefits Act, after receiving testimony from Frank Q. Nebeker, Chief Judge, United States Court of Veterans Appeals; Charles L. Cragin, Chairman, Board of Veterans' Appeals, Department of Veterans Affairs; and John R. Vitikacs, American Legion, Dennis Cullinan, Veterans of Foreign Wars, Richard F. Schultz, Disabled American Veterans, Russell W. Mank, Paralyzed Veterans of America, Carl F. Stout, Vietnam Veterans of America, Maura Farrell Miller, Nurses Organization of Veterans Affairs, Samuel V. Spagnolo, National Association of VA Physicians and Dentists, Keith D. Snyder, National Organization of Veterans Advocates, and David B. Isbell, Veterans Consortium Pro Bono Program, all of Washington, D.C.

IRANIAN ARMS SHIPMENTS TO BOSNIA

Select Committee on Intelligence: Committee resumed hearings to examine United States policy with regard to Iranian and other arms transfers to Bosnia, receiving testimony from Strobe Talbott, Deputy Secretary of State.

Committee recessed subject to call.

House of Representatives

Chamber Action

Bills Introduced: 18 public bills, H.R. 3518–3535; and 2 resolutions, H. Con. Res. 181, and H. Res. 441 were introduced. **Pages H5569–70**

Reports Filed: Reports were filed as follows:

H.R. 3517, making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for fiscal year ending September 30, 1997 (H. Rept. 104–591);

H.R. 2531, to amend the Fair Labor Standards Act of 1938 to clarify the exemption for houseparents from the minimum wage and maximum hours requirements of that Act, amended (H. Rept. 104–592);

H.R. 3060, to implement the protocol on Environmental Protection to the Antarctic Treaty (H. Rept. 104–593 Part I); and

Report on the Subdivision of Budget Totals for Fiscal Year 1997 (H. Rept. 104–594). **Page H5569**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designates Representative Walker to act as Speaker pro tempore for today. **Page H5503**

Employee Commuting Flexibility: By a recorded vote of 281 ayes to 144 noes, Roll No. 195, the House passed H.R. 1227, to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer owned vehicles. **Pages H5503–44**

Agreed To:

The Riggs amendment that increases the minimum wage to $4.75 on July 1, 1996 and $5.15 on July 1, 1997 (agreed to by a recorded vote of 266 ayes to 162 noes, Roll No. 192). **Pages H5511–33**

Earlier, a point of order, under section 425(a) of the Budget Act, against the Riggs amendment was resolved by the decision of the House on the question of consideration pursuant to section 426(b)(3) of the Budget Act. The point of order asserted that the proposed amendment constituted an unfunded intergovernmental mandate. By a yea-and-nay vote of 267 yeas to 161 nays, Roll No. 191, the House voted to consider the Riggs amendment. **Pages H5511–15**

Pursuant to H. Res. 440, on the division of the question on the Goodling amendment, agreed to the remainder of section 3, that exempts computer professionals who earn $27.63 or more per hour from the FLSA overtime provisions, requires employers to pay their employees who receive tips, at a minimum, $2.13 per hour while maintaining the requirement that employers pay the difference between the base salary plus tips earned and the minimum wage, and establishes an opportunity wage of $4.25 for newly hired employees under 20 years of age for the first ninety days of employment and prohibits employees from displacing workers in order to hire employees at this wage (agreed to by a yea-and-nay vote of 239 yeas to 188 nays, Roll No. 193). **Pages H5533–43**

Rejected:

Pursuant to H. Res. 440, on the division of the question on the Goodling amendment, subsection 3(d) that sought to exempt certain employees of small firms with gross sales of less than $500,000 that handle products which cross state lines (rejected by a recorded vote of 196 ayes to 229 noes, Roll No. 194). **Page H5543**

Agreed to amend the title. **Page H5544**

Pursuant to section 4 of H. Res. 440, the text of H.R. 1227 was appended to the engrossment of H.R. 3448, and H.R. 1227 was laid on the table. **Page H5544**

Legislative Program: The Majority Leader announced the legislative program for May 27. **Pages H5544–45**

Calendar Wednesday: Agreed to dispense with Calendar Wednesday business of May 29. **Page H5545**

Resignations and Appointments: It was made in order that, notwithstanding any adjournment of the House until Wednesday, May 29, the Speaker and the Minority Leader be authorized to accept resignations and to make appointments authorized by law or by the House. **Page H5545**

Extensions of Remarks: It was made in order that, for today all members be permitted to extend their remarks and to include extraneous material in that section of the Record entitled "Extensions of Remarks". **Page H5545**

Designation of Speaker Pro Tempore: Read a letter from the Speaker wherein he designates Representative Walker to act as Speaker pro tempore to sign enrolled bills and joint resolutions through Wednesday, May 29. **Page H5545**

Presidential Message: Read a message from the President wherein he transmits his proposed legislation on the Retirement Savings and Security Act—referred to the Committees on Ways and Means, Economic and Educational Opportunities, and Transportation and Infrastructure and ordered printed (H. Doc. 104–221). **Page H5553**

District Work Period: House agreed to S. Con. Res. 60, providing for the adjournment of the two Houses—clearing the measure. **Page H5553**

Senate Message: Messages received from the Senate today appear on page H5552.

Quorum Calls—Votes: Two yea-and-nay votes and three recorded votes developed during the proceedings of the House today and appear on pages H5514–15, H5533, H5542–43, H5543, and H5543–44. There were no quorum calls.

Adjournment: Met at 9 a.m. and pursuant to the provisions of S. Con. Res. 60, adjourned at 5:27 p.m., until 2 p.m. on Wednesday, May 29.

Committee Meetings

MILITARY CONSTRUCTION APPROPRIATIONS AND BUDGET ALLOCATIONS

Committee on Appropriations: Ordered reported the Military Construction appropriations for fiscal year 1997.

The committee also approved a section 602(b) budget allocation report for fiscal year 1997.

FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS

Committee on Appropriations: On May 22nd, the Subcommittee on Foreign Operations, Export Financing and Related Programs approved for full Committee action the Foreign Operations, Export Financing and Related Programs appropriations for fiscal year 1997.

DEFENSE APPROPRIATIONS

Committee on Appropriations: Subcommittee on National Security met in executive session and approved for full Committee action the Defense appropriations for fiscal year 1997.

REINVENTING DOWNSIZING

Committee on Government Reform and Oversight: Subcommittee on Civil Service held a hearing on Reinventing Downsizing or Downsizing the Reinvention. Testimony was heard from the following officials of the GAO: Timothy P. Bowling, Associate Director, Workforce Management Issues; and John H. Luke, Deputy Assistant Comptroller General, Human Resources; John A Koskinen, Deputy Director, Management, OMB; James B. King, Director, OPM; and P. Patrick Leahy, Chief Geologist, U.S. Geological Survey, Department of the Interior.

MONITORING FOOD-BORNE PATHOGENS

Committee on Government Reform and Oversight: Subcommittee on Human Resources and Intergovernmental Relations held an oversight hearing on the monitoring of food-borne pathogens by the Centers for Disease Control and Prevention and the FDA. Testimony was heard from the following officials of the Department of Health and Human Services; David Satcher, M.D., Director, Centers for Disease Control and Prevention; and Fred Shank, Director, Center for Food Safety and Applied Nutrition, FDA; Glenn Morris, M.D., Director, Epidemiology and Emergency Response Programs, Food Safety and Inspection Service, USDA; Robert A. Robinson, Director, Food and Agriculture Issues Area, GAO; and public witnesses.

NATIONAL DRUG CONTROL POLICY

Committee on Government Reform and Oversight: Subcommittee on National Security, International Affairs, and Criminal Justice held a hearing on National Drug Control Policy: The Decline of Interdiction Efforts in the Caribbean. Testimony was heard from Jess Ford, Associate Director, International Affairs and Trade Issues, GAO; and the following officials of the U.S. Coast Guard, Department of Transportation: Adm. Robert Krarnek, Commandant; Comdr. Arthur Brooks, Commanding Officer, Cutter *Seneca*; Lt. Kristine Horvath, Air Craft Comdr., Air Station, Miami, Florida; Lt. Gen. Glenn Gebele, Air Craft Comdr., Air Station, Clearwater, Florida; and Lt. Greg Sanial, Commanding Officer, Cutter *Attu*.

AMERICAN FOLKLIFE PRESERVATION ACT; COMMITTEE BUSINESS

Committee on House Oversight: Ordered reported H.R. 3491, to repeal the American Folklife Preservation Act.

The Committee also approved pending Committee business.

BILINGUAL VOTING REQUIREMENTS REPEAL ACT

Committee on the Judiciary: Subcommittee on the Constitution approved for full Committee action amended H.R. 351, Bilingual Voting Requirements Repeal Act.

FEDERAL LAW ENFORCEMENT

Committee on the Judiciary: Subcommittee on Crime held a hearing on the Nature, Extent, and Proliferation of Federal Law Enforcement—Part II: State and Local Law Enforcement Perspectives. Testimony was heard from Jane Brady, Attorney General, State of Delaware; and public witnesses.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Subcommittee on Immigration and Claims approved for full Committee action H.R. 740, to confer jurisdiction on the U.S.

Court of Federal Claims with respect to land claims of Pueblo of Isleta Indian Tribe.

The Subcommittee also met and considered private immigration and claims bills.

COMMITTEE BUSINESS

Committee on Standards of Official Conduct: Met in executive session to consider pending business.

MISCELLANEOUS MEASURES; FDA CONSOLIDATION

Committee on Transportation and Infrastructure: Subcommittee on Public Buildings and Economic Development approved for full Committee action the following: H. Con. Res. 172, authorizing the 1996 Summer Olympic Torch Relay to be run through the Capitol Grounds; H.R. 3186, to designate the Federal building located at 1655 Woodson Road in Overland, MO, as the ''Sammy L. Davis Federal Building;'' H.R. 3364, amended, to designate a U.S. Courthouse in Scranton, PA, as the ''William J. Nealon United States Courthouse;'' and H.R. 3400, amended, to designate the United States courthouse to be constructed at a site on 18th Street between Dodge and Douglas Streets in Omaha, NE, as the ''Roman L. Hruska United States Courthouse.''

Prior to this action, the Subcommittee held a hearing on these measures. Testimony was heard from Representatives McDade and Barrett of Nebraska; and a public witness.

The Subcommittee also held a hearing on FDA Consolidation. Testimony was heard from Representative Morella; William Lawson, Assistant Regional Administrator, National Capitol Region, GSA; Sharon Smith Holston, Assistant Commissioner, External Affairs, FDA, Department of Health and Human Services; and public witnesses.

WELFARE REFORM

Committee on Ways and Means: Subcommittee on Human Resources concluded hearings on welfare reform. Testimony was heard from Representative Becerra; Jane Ross, Director, Income Security Issues, GAO; Bruce Wagstaff, Deputy Director, Department of Social Services, State of California; Marilyn Ray Smith, Associate Deputy Commissioner and Chief Legal Counsel, Department of Revenue Child Support Enforcement, State of Massachusetts; Jeffrey Cohen, Director, Office of Child Support, State of Vermont; and public witnesses.

Joint Meetings

ADMINISTRATION OF PRESIDIO PROPERTIES

Conferees met to resolve the differences between the Senate- and House-passed versions of H.R. 1296, to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer, but did not complete action thereon, and recessed subject to call.

WORKFORCE DEVELOPMENT ACT

Conferees continued to resolve the differences between the Senate- and House-passed versions of H.R. 1617, to consolidate Federal employment training, vocational education, and adult education programs and create integrated, statewide workforce development systems, but did not complete action thereon, and recessed subject to call.

COMMITTEE MEETINGS FOR FRIDAY, MAY 24, 1996

Senate

No meetings are scheduled.

House

Committee on Rules, Subcommittee on Rules and Organization of the House, hearing on Legislating in the 21st Century Congress: Assessing the Impact of Information Technology on the Legislative Process, 10 a.m., 2318 Rayburn.

Next Meeting of the SENATE

11:30 a.m., Friday, May 24

Senate Chamber

Program for Friday: Senate will conduct routine morning business.

Next Meeting of the HOUSE OF REPRESENTATIVES

2 p.m., Wednesday, May 29

House Chamber

Program for Wednesday: Consideration of H.R. 3322, (open rule, 1 hour of general debate).

Extensions of Remarks, as inserted in this issue

HOUSE

Baker, Bill, Calif., –E893
Berman, Howard L., Calif., –E888, E891
Bonior, David E., Mich., –E889, E892
Bunn, Jim, Ore., –E889
Chenoweth, Helen, Idaho, –E890
Coburn, Tom A., Okla., –E894
DeLauro, Rosa L., Conn., –E890
Engel, Eliot L., N.Y., –E889, E892
Filner, Bob, Calif., –E893
Foglietta, Thomas M., Pa., –E889
Ganske, Greg, Iowa, –E890
Gibbons, Sam, Fla., –E889
Gillmor, Paul E., Ohio, –E888
Jackson-Lee, Sheila, Tex., –E892
LaFalce, John J., N.Y., –E885
Lantos, Tom, Calif., –E887, E888, E891
Menendez, Robert, N.J., –E888, E891
Moorhead, Carlos J., Calif., –E890
Stupak, Bart, Mich., –E892

Congressional Record The public proceedings of each House of Congress, as reported by the Official Reporters thereof, are printed pursuant to directions of the Joint Committee on Printing as authorized by appropriate provisions of Title 44, United States Code, and published for each day that one or both Houses are in session, excepting very infrequent instances when two or more unusually small consecutive issues are printed at one time. ¶Public access to the Congressional Record is available online through *GPO Access,* a service of the Government Printing Office, free of charge to the user. The online database is updated each day the Congressional Record is published. The database includes both text and graphics from the beginning of the 103d Congress, 2d session (January 1994) forward. It is available on the Wide Area Information Server (WAIS) through the Internet and via asynchronous dial-in. Internet users can access the database by using the World Wide Web; the Superintendent of Documents home page address is http://www.access.gpo.gov/su_docs, by using local WAIS client software or by telnet to swais.access.gpo.gov, then login as guest (no password required). Dial-in users should use communications software and modem to call (202) 512–1661; type swais, then login as guest (no password required). For general information about *GPO Access,* contact the *GPO Access* User Support Team by sending Internet e-mail to help@eids05.eids.gpo.gov, or a fax to (202) 512–1262; or by calling (202) 512–1530 between 7 a.m. and 5 p.m. Eastern time, Monday through Friday, except for Federal holidays. ¶The Congressional Record paper and 24x microfiche will be furnished by mail to subscribers, free of postage, at the following prices: paper edition, $112.50 for six months, $225 per year, or purchased for $1.50 per issue, payable in advance; microfiche edition, $118 per year, or purchased for $1.50 per issue payable in advance. The semimonthly Congressional Record Index may be purchased for the same per issue prices. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington, D.C. 20402. ¶Following each session of Congress, the daily Congressional Record is revised, printed, permanently bound and sold by the Superintendent of Documents in individual parts or by sets. ¶With the exception of copyrighted articles, there are no restrictions on the republication of material from the Congressional Record.