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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. HEFLEY].

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
June 5, 1996.

I hereby designate the Honorable JOEL HEFLEY 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;

Of all the blessings we wish from Your hand, of all the favors we seek from Your bounty, we pray for peace in our hearts and in our world. You have created us, O God, in Your image, and when we seek to live in that image we honor other people and wish them serenity and security for by so doing we honor ourselves and are at peace in our hearts. On this day we pray for that peace that passes all understanding, that peace that gives our souls new confidence and confers respect for every person. In Your name, we pray. 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 gentlewoman from Maryland [Mrs. MORELLA] come forward and lead the House in the Pledge of Allegiance.

Mrs. MORELLA 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.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1624. An act to reauthorize the Hate Crime Statistics Act, and for other purposes.

REPRESENTING AMERICA'S VALUES, NOT WASHINGTON VALUES

(Mr. BOEHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOEHNER. Mr. Speaker, the 1996 Medicare trustees report is expected to be released later today. Early reports are showing that the trust fund is headed toward bankruptcy much quicker than what we had expected.

Last year Republicans had the courage to seriously address Medicare's impending bankruptcy. We produced and passed an honest and reasonable plan that would increase benefits for senior citizens, fight fraud and abuse, and extend long-term solvency to this very vital program.

Our plan last year to address Medicare solvency problems increased per beneficiary spending from $4,800 in 1995 to $7,100 in the year 2002. The President's response, with the help of his liberal allies last year, was to divide our country by launching a scare campaign aimed at seniors.

The President should stop misleading and scaring seniors and come to the table with a serious plan that addresses Medicare's serious solvency problem. What should scare our parents is that President Clinton is doing nothing to help solve the impending bankruptcy of Medicare.

RADICAL CHANGES IN MEDICARE NOT NECESSARY TO KEEP FUND SOLVENT

(Mr. PALLONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PALLONE. Mr. Speaker, the previous speaker, my colleague from Ohio, is once again trying to use the Medicare trustees report which comes out today as justification for the large cuts in Medicare that will be used by the Republican leadership to finance tax breaks for the wealthy.

This trustees report is out again, it comes out every year, and what it says to us is that we need to do something, we need to make some changes in the Medicare Program, but the Democrats have already proposed that. We have already voted on the President's budget, which most Republicans oppose, which would basically make some cuts in Medicare but preserve the program.

The problem is that the Republican proposal is to change radically Medicare, to make it so you do not have a choice of doctor, to increase out-of-pocket costs with overcharges and also essentially forcing senior citizens into managed care, into HMO's.

We do not need the radical changes in Medicare that the Republicans are proposing. We only need to make some minor adjustments to make sure that

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the trust fund remains solvent. But that can be done with the Democratic proposal without the radical changes in Medicare that the Republican leadership is proposing.

SAVE MEDICARE

(Mr. CHABOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHABOT. Mr. Speaker, 5 short years. That is the amount of time that is remaining in the Medicare trust fund before it goes completely bankrupt. The trust fund already has started to lose billions, and unless we make some needed changes, Medicare will be completely bankrupt within 5 years. So the situation is even worse than was predicted by the Clinton administration last year.

Mr. Speaker, there are many, many people in my district who depend on Medicare and who expect to be around 5 years from now. My own parents are on Medicare. It would be an absolute outrage if political posturing and political games prevent us from saving a program that so many Americans depended upon.

Just as politics ought to stop at the water's edge, politics when it comes to Medicare absolutely should stop in this House. Even President Clinton admitted all those attack ads about Republicans alleging cutting Medicare are absolutely not true.

It is time that rather than everybody attacking everybody about who is cutting Medicare, Republicans and Democrats ought to work together to save Medicare.

TAXED OFF TO THE LIMIT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute.)

Mr. TRAFICANT. Mr. Speaker, the IRS dropped in on Ed and Martha Collins of East Aurora, NY. The IRS demanded every single receipt on their 1993 return. Even though the Collinses had every single receipt to corroborate that 1993 return, the IRS was not satisfied and demanded $540. And the reason they said was they had conducted an economic reality audit and the IRS determined that Collins Bed and Breakfast spent too much money on food, laundry, and cleaning services for their guests.

Unbelievable. Tell me, Mr. Speaker, what did the IRS expect? Weiners and beans? Paper towels? Porta potties? Beam me up. What is next. Will the IRS determine what the toilet tissue needs are of the American family? No wonder the American people are taxed off. Taxed off to the limit. Congress should do something about the IRS.

MEDICARE GOING BANKRUPT FASTER THAN EXPECTED

(Mr. LEWIS of Kentucky asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Kentucky. Mr. Speaker, the 1996 Medicare trustees' report is expected to be released today and all indications are the news will be worse than last year's report—Medicare is going bankrupt faster and sooner than expected.

In late April, the Congressional Budget Office released data that showed while the 1995 trustee's report predicted a $5 billion surplus in 2002, the fund is now expected to be $86 billion in the hole. The Republican majority passed a plan to simplify and strengthen Medicare and fight waste and fraud, all while increasing Medicare spending. But with the flash of his veto-happy pen, President Clinton killed these Medicare reforms.

In just a year's time, President Clinton's choice to mislead America's seniors through demagoguery and campaign scare tactics has resulted in a multibillion-dollar Mediscare shortfall. Shame on him.

SENIOR CITIZENS SHOULD NOT PAY FOR SPECIAL INTEREST TAX BREAKS

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

Ms. WOOLSEY. Mr. Speaker, why is Medicare running into financial trouble sooner than we thought? Because the new majority is more interested in raiding Medicare for special interest tax breaks than in buckling down and coming up with a bipartisan plan to keep Medicare solvent.

Instead of proposing changes in Medicare that would lead to greater solvency of the trust fund, the Gingrich-Dole majority proposed limiting physician choice, draining the system of healthy participants through medical savings accounts, and eliminating laws against fraud in the health care industry.

That is no way to save Medicare.

We can avoid the dire predictions of the Medicare trustees. We should work together.

Democrats proposed a plan to keep Medicare solvent while maintaining the guarantee of health care for older Americans.

Our plan keeps Medicare in the black for years to come without the devastating cuts that make seniors see red. What we need around here is the courage to do what's right. What we don't need are special interest tax breaks paid for by our Nation's seniors.

TRAVEL AND TOURISM IN AMERICA

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

Mrs. MORELLA. Mr. Speaker, I want to remind this body that the travel and tourism industry is the Nation's second largest employer, providing more than 14,000,000 jobs; the third largest retail sales industry, and in 1994, travel and tourism generated more than $58 billion in tax revenues.

Mr. Speaker, dollars that tourists spend trickle down to local communities and benefit the whole U.S. economy. The travel and tourism industry is diverse and touches every sector of our society, from business to the arts to education.

While travel and tourism is growing throughout the world, the U.S. market share is on the decline. With the closing of the U.S. Travel and Tourism Administration [USTTA] in April, promotion of travel and tourism has dropped to zero.

We must revitalize this dynamic industry by passing H.R. 2579 during the 104th Congress. This important bill would merge the resources of the private sector and the Federal Government to improve the promotion of international travel and tourism to the United States. The legislation would provide the means to encourage international travelers to visit the United States.

Federal support for travel and tourism would protect jobs and promote a healthy American economy for the 21st century.

TOURISM VITAL TO GUAM'S CONTINUED ECONOMIC GROWTH

(Mr. UNDERWOOD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. UNDERWOOD. Mr. Speaker, I rise today to express my strong support for H.R. 2579, introduced by Congressman TOBY ROTH. I commend Representative ROTH for his work on this legislation and for improving the visibility and understanding of travel and tourism issues in this Congress.

The tourism industry is Guam's lifeblood and the engine of economic growth on our island. Last year, 1.3 million visitors came to Guam and 2 million are expected to arrive by the end of the decade. The visitor industry last year contributed to the employment of about 19,000 people on Guam and represented about 40 percent of the private sector work force. For an island of 140,000, our economy has grown to over $3 billion. And the visitor industry is vital to our continued economic growth.

A Federal tourism strategy is the key to the long-term health of the tourist industry, and, with the closing of the U.S. Travel and Tourism Administration, there is currently a vacuum in this area. The National Tourism Organization established under H.R. 2579 would not only bring more visitors to the United States, but it would steer them toward American companies for every part of their trip. An aggressive plan to attract international tourists

is needed now, and I urge my colleagues to support Congressman ROTH's efforts to expediently pass H.R. 2579.

SERIOUS DISCUSSION ABOUT SAVING MEDICARE HAS BEEN POISONED BY LIBERALS

(Mr. FUNDERBURK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUNDERBURK. Mr. Speaker, it is shameful that the liberal Democrats in Congress and the White House have chosen to demagog Medicare instead of joining with those of us on this side of the aisle in rescuing Medicare and making sure it exists well into the next century.

A good example is the gentleman from Missouri, Representative GEPHARDT, whose statement has been that it is a big lie to say Medicare is in trouble. This is what they have been saying all day today. But, Mr. Speaker, the Board of Medicare Trustees will release their annual report on the financial condition of the Medicare trust fund. It is now 2 months overdue. It is expected that the report will show Medicare is going bankrupt faster and sooner than anyone predicted.

It is a shame that any serious discussion about saving Medicare has been poisoned by narrow-minded liberals bent on scoring cheap political points.

DEMOCRATS' PROPOSAL TO SAVE MEDICARE WOULD NOT FUND TAX CUTS OR PENTAGON INCREASES

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

Ms. FURSE. Mr. Speaker, I want to take a moment to talk about Medicare. I am very disappointed that we still have that same old, same old when it comes to the priorities of the majority party.

When I talk to the people in my district, they think it is absolutely crazy to ask seniors to pay more for Medicare while we increase spending on the Pentagon and hand out tax cuts. Moreover, people get very concerned when they hear about the way in which the Republicans want to save Medicare.

The Republicans would allow doctors to charge whatever they want by eliminating protections on balance billing; they would allow cutting fees to doctors and hospitals through budget gimmicks; and they would force seniors into plans which restrict their choices.

It is no wonder that this Congress held more hearings on Waco and sports franchise relocation than we did on Medicare reform. In fact, there has been so much secrecy that, in my committee last year, when a group of seniors came to ask, ''Please give us some answers'' they were arrested.

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MEDAGOGUES

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, it is very interesting once again to return to the well and see the same rhetorical tactics utilized so desperately by the other side, so desperate in fact that a liberal newspaper in this town, the Washington Post, has talked about it now on two occasions.

Members may recall last year the editorial entitled ''Medagogues,'' quoting now,

> If the Medicare program won't become less generous over time, how do the Democrats propose to finance it and continue the rest of the Federal activities they espouse? That is the question. You listen in vain for a real response. It is irresponsible.

Now comes another Post editorial, entitled ''Medagogues Continued,'' quoting again from the Washington Post,

> The Democrats have fabricated the Medicare tax cut connection because it is useful politically. It allows them to attack and to duck responsibility both at the same time. We think it is wrong.

Medicare is going bankrupt. That is what should scare all Americans. We have a solution. They have nothing but complaints.

REPUBLICANS AND MEDICARE

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

Ms. DELAURO. Mr. Speaker, despite what my Republican colleagues are saying this morning, in October 1995, last October, 233 House Republicans voted against a bill which contained $90 billion in Medicare reforms over 7 years which would have extended the solvency of the Medicare Program to the year 2006. Let me just tell my colleagues that their new plan will cut $168 billion from Medicare over a 6-year period of time, and what they will do with that by their own words is pay for a $176 to $180 billion tax break for the richest Americans.

Speaker GINGRICH has said that these are not cuts. He said this on Sunday on ''Meet the Press.'' But let me inform my colleagues what his colleague, the gentleman from Ohio [Mr. KASICH] the budget chairman has said in 1995. I quote: ''Their budget would require Medicare cuts unlike any this town has ever seen before.''

Indeed, that is what they are about. Do not be fooled, American people. Speaker GINGRICH has said in the past he wants Medicare to wither on the vine. We must not let him do it.

LET'S PROMOTE AMERICA'S TOURISM INDUSTRY

(Mr. ROTH asked and was given permission to address the House for 1 minute.)

Mr. ROTH. Mr. Speaker, I want to bring a positive message here to the House this morning. I want to thank all of my colleagues for supporting travel and tourism because travel and tourism basically is a small business operation.

Mr. Speaker, since this is Small Business Week, it is a perfect time to talk about travel and tourism. Ninety-nine percent of all of travel and tourism in the United States is small business. These are people, men and women, who work day in and day out for their country and who pay the taxes that we the politicians all too often spend.

Tourism supports over 14 million jobs, as the gentlewoman from Maryland said this morning, and is the largest employer in 44 of the 50 States. Yet hardly ever is a word spoken for travel and tourism. Do you want to know why? Because the people involved in travel and tourism are at home working in the small communities throughout America day in and day out trying to raise a family, trying to keep their bills paid. They do not have a lot of time come and lobby Congress. But the small business people who really run travel and tourism run this country and make it possible for us to have the strong economy we do have.

SUPPORT TRAVEL AND TOURISM

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

Mrs. MEEK of Florida. Mr. Speaker, I am a member of the travel and tourism caucus under the leadership of the gentleman from Wisconsin [Mr. ROTH]. I just wanted to say this to America, that tourism and related travel supported 644,500 jobs. We are talking about jobs, so why do we not work harder to be sure we already have the base for these jobs. In my home State of Florida, they generated more than $5 billion in taxes for the State and local governments and more than $11 billion in payrolls. No wonder tourism and related travel is the largest employer in Florida, the largest employer in 44 of the 50 States and the second largest employer in the Nation. Why should we not continue very hard to push travel and tourism? Nationally, the travel and tourism industry accounts for more than 14 million jobs and an annual payroll of more than $110 billion.

To all of my colleagues I say, Mr. Speaker, travel and tourism is America's leading export. In 1995, 44.7 million visitors generated $76.7 billion. Please support the Travel and Tourism Caucus.

IN SUPPORT OF THE BALANCED BUDGET AMENDMENT

(Mr. JONES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES. Mr. Speaker, over the last year and a half the phrase ''family

friendly'' has been battered around the Chamber like none other. But when it comes right down to it, being family friendly can only mean one thing: a vote for the balanced budget amendment.

Without passing a balanced budget amendment, American families lose out on lower interest rates, faster job growth and much needed relief from a debt amounting to more than 80 percent and a lifetime of taxes.

Keep in mind that in 1994, the Federal Government spent $203 billion in interest on the national debt. That is more than it spent on education, job training, public works and children's nutrition programs combined.

Mr. Speaker, what could be more family friendly than relieving your children and their children of having to pay inflated taxes for years to come?

Pass the balanced budget amendment.

MEDICARE AND MEDICAID

(Mr. CUMMINGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CUMMINGS. Mr. Speaker, we will soon consider a 1997 fiscal year budget resolution that slashes Medicare and Medicaid funding. The American people have given us a clear mandate. They have overwhelmingly told us time and time again to protect our neediest citizens, the disabled, the poor, our children and the elderly.

My colleagues on the other side of the aisle have a different vision. Their priorities are jumbled, their budget reflects a flawed economic theory and confusion.

Two weeks ago I vote for a budget that reflected my district's and the country's priorities. I chose to vote for a 6-year balanced budget that proposed to increase the investments in education, job training, infrastructure, and at the same time protecting Medicare, Medicaid and not demolish it.

The recent report issued by the Medicare trustees that forecasts Medicare insolvency does not tell us anything new. We know that Medicare needs mending. Let us take the opportunity to roll up our sleeves and get to work. I sincerely hope that the speaker is sincere when he said he wants to work in a bipartisan way with the President to save Medicare for our parents and grandparents.

SUPPORT FOR H.R. 2579

(Mr. OXLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OXLEY. Mr. Speaker, I rise this morning to express my support for H.R. 2579, legislation to promote international travel and tourism in the United States. This measure privatizes the functions of the U.S. Travel and Tourism Administration, an agency which costs taxpayers $16.7 million in 1995. The Congress correctly decided to zero out the USTTA. However, there is a role for a federally chartered, privately funded organization to promote travel to the United States.

I am an original cosponsor of the bill, and our Subcommittee on Commerce, Trade, and Hazardous Materials, which I chair, recently marked it up, where it was approved by voice vote. It will be taken up by the full Committee on Commerce in the very near future.

Travel and tourism is the Nation's leading export industry. As one example, in 1993, foreign visitors spent $443 million in my home State of Ohio, which ranked 18th among the States.

Mr. Speaker, I want to pay particular tribute to our friend, the gentleman from Wisconsin, TOBY ROTH, who has led this effort on behalf of the travel and tourism industry and all Americans for this critical legislation. I am proud to be a cosponsor of this bill and look forward to the markup in the full Committee on Commerce.

THE STRAIGHT FACE TEST ON MEDICARE AND MEDICAID

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

Mrs. SCHROEDER. Mr. Speaker, the words are flying again on Medicare and Medicaid. Here we go. It must be an election year. What do you think?

Look, the American people are pretty smart about this issue. When the leadership on the other side, one of them said he was proud he never voted for it, another one said he hoped it would wither on the vine, another leader on that side said that they were trying to make cuts like no one had ever seen before, but now all of a sudden, as we get near to the election year, everybody is trying to rewrite history and suddenly say, no, we have come to save it, come to save it, somehow that does not pass the straight face test.

Last year we had an attempt to try and put Medicare on the right path so that the report that we are going to be getting would not be coming, had we done that. Yet the other side rejected it because they did not want to do that. They wanted to cut Medicare and put it into tax cuts for the people who need tax cuts the least, the ones who have the most get more. I do not understand that. I do not understand that at all.

So we are at a point of do we mend it or do we mash it. The mashers are trying to say they want to mend. We want so say, it is time to deal with it straightforwardly.

WARNING SIGNALS ON MEDICARE

(Mr. UPTON asked and was given permission to address the House for 1 minute.)

Mr. UPTON. Mr. Speaker, I take the well today to remind my colleagues that you and I were not here in the House when the warning signals were up about the S&L debacle back in the early 1980's. Those scoundrels from Texas and California, Florida and Illinois took the taxpayers for $150 billion, and it was wrong. Congress should have acted in the early 1980's, and they did not.

Mr. Speaker, we have a great program that seniors in this country love called Medicare. The warning signals were out there a year ago that it was going to go belly up by the year 2002. This body did nothing. We tried to get bipartisan cooperation and nothing happened.

Today a report is coming out saying that it is a year worse. Instead of going belly up in 2002, it is going to go belly up in 2001, $90 billion worse than it was last year. Three cabinet members are going to sign that report as they did last year.

Yet we read in the CQ facts record for Monday, Laura Tyson says that the trust fund is solvent. Bills will be paid and the administration's plan would assure solvency for a decade.

Let us walk the walk instead of talk the talk. It is going bankrupt. We need to do something about it.

ANNUAL REPORT ON STATE OF SMALL BUSINESS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. HEFLEY) 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 Small Business:

To the Congress of the United States:

I am pleased to transmit to you my annual report on the state of small business, and to report that small businesses are doing exceptionally well. In the year covered by this report, a record 807,000 new firms reported initial employment. Firms in industries dominated by small businesses created almost 60 percent of the nearly 3.3 million new jobs. Business failures and bankruptcies declined at some of the sharpest rates in a decade.

Small businesses have both contributed to and benefited from the recent strength of the economy. The deficit reduction plan I initiated in 1993 has cut the budget deficit in half. The economy has created 8.5 million new jobs since January 1993—almost all of them in the private sector. The combined rate of unemployment and inflation is at its lowest level in more than 25 years.

A major success story has been in the women-owned business sector. Women are creating new businesses and new jobs at double the national rate. Today, women own one-third of all businesses in the United States. Clearly, there is no stopping this fast-growing segment of the economy.

Last June I met in Washington with nearly 2,000 small business owners—

participants in the national White House Conference on Small Business. They took precious time away from their businesses to tell us about their problems and their ideas for resolving them, turning over a list of 60 recommendations for Government action. Their ideas are reflected in many of the recent initiatives of my Administration.

Improving Access to Capital

One of the keys to a healthy small business sector is access to adequate start-up and working capital. The Small Business Lending Enhancement Act of 1995, which I signed last October, helped to increase access to capital through the Small Business Administration's (SBA) section 7(a) loan guarantee program. Last year, the SBA provided nearly $11 billion in long-term credit and other financial assistance to more than 67,000 small businesses, bringing SBA's total loan portfolio to $26 billion. The number of 7(a) guaranteed loans has increased dramatically, up 52 percent from fiscal year 1994 to fiscal year 1995—and that's with a smaller budget and fewer employees at the SBA. Moreover, during the same period, the number of 7(a) guaranteed loans to women-owned businesses grew by 86 percent; loans to minority-owned businesses increased by 53 percent; and loans to businesses owned by U.S. veterans grew by 43 percent.

Other initiatives are under way. My Administration has been working with banks and banking regulators to remove impediments to small business lending by financial institutions. The Riegle Community Development and Regulatory Improvement Act of 1994 amended the banking and securities laws to promote the growth of a secondary market for small business loans. And my Administration is looking to reduce small business securities filing and disclosure burdens. In June 1995, the Securities and Exchange Commission proposed regulations that would further this small business goal.

Easing the Tax Burden

The Federal Government should reward rather than discourage entrepreneurs who take risks and create jobs. To that end, we have worked to simplify the tax code and make it more equitable for small firms.

In April 1995, I signed legislation to increase to 30 percent the share of health insurance premiums that self-employed individuals can deduct on their tax returns beginning this tax year—and we're working to increase that amount.

Small firms are less likely than their larger counterparts to be able to provide retirement plans. While 75 percent of workers in businesses with more than 1,000 employees have pension plans, only 24 percent of workers in businesses with fewer than 100 employees have them. I have proposed a new pension plan targeted to the needs of small businesses—the National Employee Savings Trust (NEST). The NEST would provide benefits similar to those of a 401(k) pension plan and would be simple to create and operate.

My Administration has endorsed other improvements that make existing pension plans safer and more beneficial for business owners and employees alike. For example, we have proposed to eliminate the ''family aggregation'' restrictions on pensions for family members, so that spouses or children who work in the same or related businesses can earn their own retirement benefits.

Our 1993 economic plan made 90 percent of small businesses eligible for tax relief. It established a targeted tax preference for capital gains, reduced the record-keeping requirements for the meals and entertainment deduction, and raised the small business expensing limit for equipment by 75 percent, to $17,500. We have proposed to increase further the value of equipment that can be directly expensed to $25,000.

My Administration is also taking steps to ensure that tax regulations are as simple and understandable as possible. For example, administrative guidance has been published to provide tax relief to S corporations and partnerships, simplify depreciation computations, and ease inventory capitalization for small businesses.

We are pursuing tax form simplification through our Simplified Tax and Wage Reporting System (STAWRS). This joint effort among Federal and State agencies will simplify, unify, and streamline tax reporting so that taxpayers will eventually be able to file their State and Federal tax and wage returns at one location, electronically. All these efforts will bring tax reporting into the modern age while reducing the paperwork burden for small business.

Shrinking the Regulatory and Paperwork Burden

Regulation and paperwork continue to be a key concern of America's small business owners, and I am proud of the progress my Administration has made in addressing this concern. For example, the SBA is streamlining all its regulations and converting them to plain English. An application form for the most common SBA loans used to be an inch thick and take 5 to 6 weeks to approve. We've reduced the form to one page and cut turn-around time to 3 days.

I've said it before: the era of big Government is over. We have been working hard to give the American people a Government that works better and costs less. We are eliminating 16,000 pages of unnecessary regulations and streamlining 31,000 more—shifting decision-making out of Washington and back to States and local communities. In addition, we are directing Federal agencies, where possible, to cut by half the frequency of reports the public is required to provide to the Government.

More broadly, much of our National Performance Review effort to reinvent Government has been pointed specifically at helping small business. The U.S. Business Advisor, which provides Internet access to information from all Federal agencies, and the U.S. General Store for Small Business, which offers business owners one location for dealing with the Federal government, illustrate our commitment to reinventing how Government serves the small business community.

In March 1995, I announced a new approach to lessening the regulatory burden on small firms. Under this commonsense approach, small businesses can now avoid paying penalties for violations if they correct the problem within an appropriate period of time. And for those violations that may take longer to correct, a small business may get up to 100 percent of its fine waived if that same money is used to correct the violation.

I'm proud to have succeeded in putting more teeth in the Regulatory Flexibility Act (RFA). Under the 1980 Act, Federal Government agencies must analyze their proposed regulations for their effects on small firms—and revise them if they will create an unfair burden. In the past, however, because the agencies' analyses could not be reviewed in the courts, small businesses had no meaningful recourse if an agency made a poor decision. On March 29, I signed into law the Small Business Regulatory Enforcement Fairness Act of 1996, which allows for judicial review of Federal agency RFA analyses. The Act also emphasizes compliance assistance and requires agencies to provide small businesses with simple and clear guidelines to assist them in complying with the regulations that affect them.

As small business owners have told us, they care about environmental protection and occupational safety; after all, they drink the same water, breathe the same air, and share the same workplace hazards as everyone else. My Administration has challenged small businesses and regulatory agencies to find cheaper, more efficient ways than government regulation to meet the high environmental and workplace standards Americans want.

Opening Markets and Expanding Trade

Every year the Federal Government spends $200 billion on goods and services, and small businesses receive a substantial share of that market. I am committed to expanding further the opportunities for small businesses to win Federal contracts. I found for the Federal Acquisition Streamlining Act of 1994 and the Federal Acquisition Reform Act of 1996, which have simplified the procurement process and made it easier for small firms to do business with the Federal Government.

The 1994 law also created a new Government-wide electronic commerce system, FACNET, which will eventually permit electronic submission of bids and proposals. I encourage small businesses to take advantage of these new procurement procedures to provide more goods and services to the Government.

In addition to the Federal marketplace, foreign markets offer significant opportunities for small business owners to compete and win. While the North American Free Trade Agreement (NAFTA) and the General Agreement on Tariffs and Trade (GATT) are opening markets abroad, my Administration's National Export Strategy has made it easier here at home for small businesses to export. Among other things, we've opened 14 U.S. Export Assistance Centers to provide one-stop access to export information, marketing assistance, and finance.

Technology and Innovation

Technological innovation by small firms is a major reason for America's leadership in the world economy. Through the Small Business Innovation Research and Small Business Technology Transfer programs, the Federal Government taps into the brain power of small businesses to meet its own research needs. In the process, these programs help spur technological innovation to foster new businesses and jobs.

The Small Business Innovation Research (SBIR) program alone has nearly doubled awards to small businesses during my Administration—up from $508 million in 1992 to more than $900 million in 1995. And the quality of SBIR research proposals has kept pace with the program's expansion.

We've also dramatically expanded the Manufacturing Extension Partnership to help America's 380,000 smaller manufacturers become more competitive in world markets. Sixty locally managed manufacturing extension centers—up from seven in 1993—are delivering much-needed services to this important small business sector.

As this report documents, changes are coming at lightning speed. Small business owners recognize that they will need all the technological skill and ''connectivity'' they can muster just to keep up. Through manufacturing extension centers, FACNET, the U.S. Business Advisor, and other information networks, we can help make available the information small businesses need to start up and succeed.

The Human Factor

If the heart of our entrepreneurial economy is small business, then the heart of small business is its people—small business owners and their employees. We need to work with small businesses to strengthen and support this dynamic human resource.

We've seen what business growth can do for communities, and we hope to encourage more business formation in empowerment zones and enterprise communities: legislation before the Congress would provide more tax incentives and waivers of some regulatory requirements in these areas. SBA's one-stop capital shops specifically target empowerment zones and enterprise communities.

As I mentioned earlier, we're taking steps to modify the tax code in ways that will make it easier for small businesses to offer health care and retirement plans to their employees. We also want to make sure that workers and their families can keep their health insurance even when they change jobs. I have urged the Congress to enact the Kassebaum-Kennedy bill, which would make health insurance coverage more ''portable'' for our Nation's workers.

We want to make better use of our work force training dollars by consolidating and streamlining many of our Federal work force training programs. Under our proposal, States and localities would have more flexibility to administer these programs in the way that will do the most good for our workers and small business owners.

I'm pleased that young entrepreneurs were represented at the White House Conference on Small Business and that the conference looked to our economic future by endorsing more mentorships and workplace educational opportunities for young people. These private-sector-led efforts form an essential part of the work-based learning program I envisioned when I signed into law the School-to-Work Opportunities Act of 1994.

It takes a great deal of courage to start something new, to carve a reality out of a dream, often with few resources, sometimes in adverse surroundings, and in an economy that demands much of its participants. That is why we celebrate and listen to America's small business owners and why we will continue to look for ways to nurture and support this powerful economic engine—the small business sector.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 5, 1996.*

□ 1030

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. UPTON. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole House under the 5-minute rule: The Committee on Agriculture, the Committee on Banking and Financial Services, the Committee on Government Reform and Oversight, the Committee on the Judiciary, the Committee on Resources, and the Committee on Transportation and Infrastructure.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 3540, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 445 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 445

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3540) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 1(b) of rule X or clause 7 of rule XXI are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. The bill shall be considered by title rather than by paragraph. Each title shall be considered as read. Points of order against provisions in the bill for failure to comply with clause 2, 5(b), or 6 of rule XXI are waived except as follows: beginning with ''*Provided*'' on page 9, line 12, through ''Appropriations'' on line 18; and beginning with ''*Provided*'' on page 13, line 20, through ''relocation'' on page 14, line 5. Where points of order are waived against part of a paragraph, points of order against a provision in another part of such paragraph may be made only against such provision and not against the entire paragraph. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment. The Chairman of the Committee of the Whole may reduce to not less than five minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall be not less than fifteen minutes. After the reading of the final lines of the bill, a motion that the Committee of the Whole rise and report the bill to the House with such amendments as may have been adopted shall, if offered by the majority leader or a designee, have precedence over a motion to amend. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Florida [Mr. GOSS] is recognized for 1 hour.

Mr. GOSS. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the distinguished gentleman from Ohio [Mr. HALL], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

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

Mr. GOSS. Mr. Speaker, like last year, we bring to the floor an open rule for the consideration of the foreign operations appropriations bill. Under this rule any Member may offer an amendment that is in order under the standing Rules of the House. It does not get any more straightforward or fair than that.

The bill includes a few specific waivers for points of order against unauthorized appropriations, reappropriation, 3-day layover of published hearings and a technical trade provision. The first two are needed because there has not been a foreign operations authorization bill that has made it into law since 1985. It is worth noting that the administration succeeded in blocking our efforts to enact even partial authorizing legislation by vetoing the American Overseas Interests Act earlier this year. The technical trade waiver is needed to grant the president authority to impose penalties on products from countries that have not conformed to international economic sanctions on Iraq, Serbia, and Montenegro, authority that has been included in this bill for the last 5 years.

Finally, we have waived the requirement that the subcommittee's published hearings be available 3 days prior to floor consideration. It is my understanding that these are available now.

Mr. Speaker, this Congress has consistently asserted the importance of reaching a balanced budget, and I am pleased that under H.R. 3540, total foreign operations spending next year will be $11.95 billion, $450 million less than last year's level. This is a very small fraction of the total $1.6 trillion Federal budget, but it is important that we have made the effort to identify and fund those programs that are thru priorities, while reducing spending overall.

I am also pleased to note that this legislation contains an updated version of last year's Dole language on Haiti. As my colleagues may remember, this language was drafted to encourage the Clinton White House to honor its commitments to consult with Congress on aid to Haiti, particularly with regard to investigations into political violence and extrajudicial killings. My colleagues may also recall that the White House was unable to certify that the Government of Haiti was being cooperative last year and ultimately waived these provisions. Beyond these murders, there are other matters that deserve further scrutiny. In recent weeks Haiti has seen a spate of troubling events, including: A series of murders of off-duty Haitian Police Officers, the murder of the mayor of Chansolme, and the subsequent mob raid on police station in Port-au-Prince that ended in the deaths of seven individual who had come in for questioning; suggesting that all is not as well as the Clinton administration would have us to believe.

As we run up to the June 30 deadline for the long-waited departure of the United Nations troops. Evidence that the Haitian national police are unable to maintain order is particularly troubling.

In addition, there are still questions to be answered regarding where all of the Money American taxpayers have sent to Haiti has gone. We are talking here about more than $2 billion in taxpayers investment under the Clinton administration. Reports, of large expenditures by President Aristide's recently created foundation in an antiprivatization campaign, in particular, are drawing attention in some circles and obviously run contrary to U.S. announced policy.

Finally, I would note that, on the general question of aid to Latin America and the Caribbean, I am pleased to see that the committee has included language to encourage a more equitable distribution of aid dollars in this region than we have seen from the administration in the past 3 years.

I urge my colleagues to support this fair and open rule.

Mr. Speaker, I include the following material for the RECORD.

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103RD CONGRESS V. 104TH CONGRESS

[As of May 31, 1996]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open [2]	46	44	71	60
Structured/Modified Closed [3]	49	47	31	26
Closed [4]	9	9	17	14
Total	104	100	119	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of May 31, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of May 31, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304–118 (9/20/95).
H. Res. 226 (9/21/95)	O	H.R. 743	Team Act	A: 344–66–1 (9/27/95).
H. Res. 227 (9/21/95)	O	H.R. 1170	3-Judge Court	A: voice vote (9/28/95).
H. Res. 228 (9/21/95)	O	H.R. 1601	Internatl. Space Station	A: voice vote (9/27/95).
H. Res. 230 (9/27/95)	C	H.J. Res. 108	Continuing Resolution FY 1996	A: voice vote (9/28/95).
H. Res. 234 (9/29/95)	O	H.R. 2405	Omnibus Science Auth	A: voice vote (10/11/95).
H. Res. 237 (10/17/95)	MC	H.R. 2259	Disapprove Sentencing Guidelines	A: voice vote (10/18/95).
H. Res. 238 (10/18/95)	MC	H.R. 2425	Medicare Preservation Act	PQ: 231–194 A: 227–192 (10/19/95).
H. Res. 239 (10/19/95)	C	H.R. 2492	Leg. Branch Approps	PQ: 235–184 A: voice vote (10/31/95).
H. Res. 245 (10/25/95)	MC	H. Con. Res. 109	Social Security Earnings Reform	PQ: 228–191 A: 235–185 (10/26/95).
		H.R. 2491	Seven-Year Balanced Budget	
H. Res. 251 (10/31/95)	C	H.R. 1833	Partial Birth Abortion Ban	A: 237–190 (11/1/95).
H. Res. 252 (10/31/95)	MO	H.R. 2546	D.C. Approps.	A: 241–181 (11/1/95).
H. Res. 257 (11/7/95)	C	H.J. Res. 115	Cont. Res. FY 1996	A: 216–210 (11/8/95).
H. Res. 258 (11/8/95)	MC	H.R. 2586	Debt Limit	A: 220–200 (11/10/95).
H. Res. 259 (11/9/95)	O	H.R. 2539	ICC Termination Act	A: voice vote (11/14/95).
H. Res. 261 (11/9/95)	C	H.J. Res. 115	Cont. Resolution	A: 223–182 (11/10/95).
H. Res. 262 (11/9/95)	C	H.R. 2586	Increase Debt Limit	A: 220–185 (11/10/95).
H. Res. 269 (11/15/95)	O	H.R. 2564	Lobbying Reform	A: voice vote (11/16/95).
H. Res. 270 (11/15/95)	C	H.J. Res. 122	Further Cont. Resolution	A: 229–176 (11/15/95).
H. Res. 273 (11/16/95)	MC	H.R. 2606	Prohibition on Funds for Bosnia	A: 239–181 (11/17/95).
H. Res. 284 (11/29/95)	O	H.R. 1788	Amtrak Reform	A: voice vote (11/30/95).
H. Res. 287 (11/30/95)	O	H.R. 1350	Maritime Security Act	A: voice vote (12/6/95).
H. Res. 293 (12/7/95)	C	H.R. 2621	Protect Federal Trust Funds	PQ: 223–183 A: 228–184 (12/14/95).
H. Res. 303 (12/13/95)	O	H.R. 1745	Utah Public Lands.	
H. Res. 309 (12/18/95)	C	H.Con. Res. 122	Budget Res. W/President	PQ: 230–188 A: 229–189 (12/19/95).
H. Res. 313 (12/19/95)	O	H.R. 558	Texas Low-Level Radioactive	A: voice vote (12/20/95).
H. Res. 323 (12/21/95)	C	H.R. 2677	Natl. Parks & Wildlife Refuge	Tabled (2/28/96).
H. Res. 366 (2/27/96)	MC	H.R. 2854	Farm Bill	PQ: 228–182 A: 244–168 (2/28/96).
H. Res. 368 (2/28/96)	O	H.R. 994	Small Business Growth	
H. Res. 371 (3/6/96)	C	H.R. 3021	Debt Limit Increase	A: voice vote (3/7/96).
H. Res. 372 (3/6/96)	MC	H.R. 3019	Cont. Approps. FY 1996	PQ: voice vote A: 235–175 (3/7/96).
H. Res. 380 (3/12/96)	MC	H.R. 2703	Effective Death Penalty	A: 251–157 (3/13/96).
H. Res. 384 (3/14/96)	MC	H.R. 2202	Immigration	PQ: 233–152 A: voice vote (3/21/96).
H. Res. 386 (3/20/96)	C	H.J. Res. 165	Further Cont. Approps	PQ: 234–187 A: 237–183 (3/21/96).
H. Res. 388 (3/20/96)	C	H.R. 125	Gun Crime Enforcement	A: 244–166 (3/22/96).
H. Res. 391 (3/27/96)	C	H.R. 3136	Contract w/America Advancement	PQ: 232–180 A: 232–177, (3/28/96).
H. Res. 392 (3/27/96)	MC	H.R. 3103	Health Coverage Affordability	PQ: 229–186 A: Voice Vote (3/29/96).
H. Res. 395 (3/29/96)	MC	H.J. Res. 159	Tax Limitation Const. Amdmt.	PQ: 232–168 A: 234–162 (4/15/96).
H. Res. 396 (3/29/96)	O	H.R. 842	Truth in Budgeting Act	A: voice vote (4/17/96).
H. Res. 409 (4/23/96)	O	H.R. 2715	Paperwork Elimination Act	A: voice vote (4/24/96).
H. Res. 410 (4/23/96)	O	H.R. 1675	Natl. Wildlife Refuge	A: voice vote (4/24/96).
H. Res. 411 (4/23/96)	O	H.J. Res. 175	Further Cont. Approps. FY 1996	A: voice vote (4/24/96).
H. Res. 418 (4/30/96)	O	H.R. 2641	U.S. Marshals Service	PQ: 219–203 A: voice vote (5/1/96).
H. Res. 419 (4/30/96)	O	H.R. 2149	Ocean Shipping Reform	A: 422–0 (5/1/96).
H. Res. 421 (5/2/96)	O	H.R. 2974	Crimes Against Children & Elderly	A: voice vote (5/7/96).
H. Res. 422 (5/2/96)	O	H.R. 3120	Witness & Jury Tampering	A: voice vote (5/7/96).
H. Res. 426 (5/7/96)	O	H.R. 2406	U.S. Housing Act of 1996	PQ: 218–208 A: voice vote (5/8/96).
H. Res. 427 (5/7/96)	O	H.R. 3322	Omnibus Civilian Science Auth	A: voice vote (5/9/96).
H. Res. 428 (5/7/96)	MC	H.R. 3286	Adoption Promotion & Stability	A: voice vote (5/9/96).
H. Res. 430 (5/9/96)	S	H.R. 3230	DoD Auth. FY 1997	A: 235–149 (5/10/96).
H. Res. 435 (5/15/96)	MC	H. Con. Res. 178	Con. Res. on the Budget, 1997	PQ: 227–196 A: voice vote (5/16/96).
H. Res. 436 (5/16/96)	C	H.R. 3415	Repeal $4.3 cent fuel tax	PQ: 221–181 A: voice vote (5/21/96).
H. Res. 437 (5/16/96)	MO	H.R. 3259	Intell. Auth. FY 1997	A: voice vote (5/21/96).
H. Res. 438 (5/16/96)	MC	H.R. 3144	Defend America Act	
H. Res. 440 (5/21/96)	MC	H.R. 3448	Small Bus. Job Protection	A: 219–211 (5/22/96).
		H.R. 1227	Employee Commuting Flexibility	
H. Res. 442 (5/29/96)	O	H.R. 3517	Mil. Const. Approps. FY 1997	A: voice vote (5/30/96).
H. Res. 445 (5/30/96)	O	H.R. 3540	For. Ops. Approps. FY 1997	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

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

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

(Mr. HALL of Ohio asked and was given permission to revise and extend his remarks.)

Mr. HALL of Ohio. Mr. Speaker, I would like to commend my colleague from Florida, Mr. GOSS, as well as my colleagues on the other side of the aisle, for bringing this resolution to the floor.

House Resolution 445 is an open rule which will allow full and fair debate on H.R. 3540, a bill making appropriations in fiscal 1997 for foreign operations, export financing, and related programs.

As my colleague from Florida has described, this rule provides 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations.

Under this rule, amendments will be allowed under the 5-minute rule, the normal amending process in the House. All Members, on both sides of the aisle, will have the opportunity to offer amendments.

I am pleased that the Rules Committee was able to report this rule without opposition in a voice vote, and I plan to support it.

The bill appropriates $11.9 billion for foreign operations, export financing, and related programs for fiscal 1997. This represents a cut of $1 billion below the administration request. The level is $180 million below last year's conference agreement on the foreign operations appropriations bill.

In many ways, this bill is the most important of the 13 appropriations bills. For millions of people throughout the world, this bill makes the difference between freedom and oppression, between war and peace, and between life and death.

When I traveled to Bosnia last year, I saw some of the thousands of refugees who would never have survived if not for the health, food, and housing programs funded through the foreign operations appropriations bill. It will be this bill, that we are about to consider, that will help the people of the former Yugoslavia take additional steps to rebuild their war-torn society.

I want to commend the chairman of the Foreign Operations Subcommittee, Mr CALLAHAN, and the ranking minority member, Mr. WILSON, for their work in crafting this bill. In particular, I thank the committee for emphasizing assistance to the people who need it most and who are least able to help themselves. These are the children.

A study last year by the program on international policy attitudes demonstrated that 91 percent of Americans believe that we should maintain or increase spending on child survival activities around the world. Members of Congress agree.

This bill creates a child survival and disease program fund which provides $600 million for child survival, basic education, nonchild disease, and UNICEF. The funding for basic education is especially important in proverty-stricken countries, because basic education can give children hope.

I am also pleased with the full funding of the administration's request of $190 million for international disaster assistance. This is a $9 million increase from last year.

Finally, I am grateful that the bill appropriates $6 million for activities to remove land mines in former war zones. An estimated 25,000 innocent civilians, including women and children, are maimed or killed by antipersonnel land mines each year. The funds will help reduce this tragedy.

If I have a major disappointment with this bill, it is that the overall levels of funding are too low. an article from Monday's June 3, 1996 Washington Post pointed out that overall U.S. international affairs spending has been cut in half since 1984, adjusted for inflation. The article carried warnings that these cuts will eventually reduce the ability of this Nation to protect its interests abroad.

Foreign aid is a critical element of our foreign policy. I fear that the shortsighted decisions of today will come back to haunt the next generation which will live in a world that does not remember America's compassion and generosity.

Still, Mr. CALLAHAN, Mr. WILSON, and the members of the subcommittee have done an excellent job of establishing priorities under difficult fiscal constraints.

On another note of disappointment, I regret that international military education and training funds are allowed for Indonesia while reports continue of human rights abuses in the territory of East Timor which is controlled by Indonesia.

Mr. Speaker, I urge the adoption of this open rule and of the bill.

□ 1045

Mr. Speaker, I yield 4 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I rise in support of the rule. Speaking in my capacity as cochairman of the Congressional Caucus on Armenian Issues, I am happy to note that once again the foreign operations bill includes an important provision known as the Humanitarian Aid Corridor Act which restricts U.S. aid to those countries blocking deliveries of humanitarian aid to third countries. While this provision is not country-specific, it clearly applies to Turkey, which for more than 3 years has maintained a blockade of neighboring Armenia. The blockade imposed along the Armenian border with Turkey disrupts the delivery of vitally needed humanitarian supplies.

Unfortunately, Mr. Speaker, the current provision allows for a Presidential waiver, and last month President Clinton exercised that waiver. I deeply regret that decision and I have joined with the gentleman from Illinois [Mr. PORTER] and 27 other Members in sending a letter to the President protesting this decision.

Later today we will debate an amendment by the gentleman from Indiana [Mr. VISCLOSKY] that will remove that waiver, and I urge Members' support to help support the intent of Congress.

Another provision is a provision in the legislation that fairly addresses the issue of United States aid to Azerbaijan, another neighbor of Armenia which maintains a blockade. Direct United States aid to Azerbaijan is prohibited through the efforts of my colleague, the gentleman from Illinois [Mr. PORTER]. The legislation allows United States nongovernmental and private voluntary organizations to use the Azerbaijani Government facilities to distribute aid, while for the first time providing United States Government aid to the Armenian enclave of Nagorno-Karabagh. This is an honorable agreement. I salute the subcommittee chairman, the ranking member, and other subcommittee members for their work on this provision and urge that there be no attempts to change the language of that provision.

Mr. Speaker, I also support the limit on economic support fund assistance to Turkey and hope this provision will send a signal of disapproval over the Turkish blockade of Armenia, the occupation of Cyprus, and the campaign against the Kurdish people.

In addition, Mr. Speaker, I am a cosponsor of an amendment with the gentleman from California [Mr. RADANOVICH], the gentleman from Michigan [Mr. BONIOR], and the gentleman from Massachusetts [Mr. BLUTE], that would withhold about 2 percent of total United States aid to Turkey, about $3 million, until the Turkish Government has joined the United States and the international community in acknowledging the atrocity committed against the Armenian population of the Ottoman Empire and taken steps to honor the memory of the victims of the Armenian genocide.

This amendment provides a practical incentive for Turkey to come to terms with this tragic chapter in its history. By acknowledging the Armenian genocide, Turkey will help to open the door to full diplomatic relations with Armenia, and I urge adoption of that amendment.

On the negative side, Mr. Speaker, I believe the foreign operations bill does not provide sufficient funding for programs supporting the New Independent States of the former Soviet Union. While in general I am concerned that the development assistance funding level, while a slight increase over fiscal 1996, is still below the administration's request, I understand that there may be an amendment brought forth that would further decrease U.S. aid funding. I would urge opposition to such an amendment.

As an example of where U.S. aid development assistance is doing great work, I would cite India, the world's second most populous country, a democracy which just completed national elections. The development assistance program in India is supporting market-oriented economic growth, deregulation, privatization, and I would urge that we not cut into this program any further.

I understand that the gentleman from Illinois, DAN BURTON, plans to

offer an amendment to the bill that will single out India by restricting American assistance. The Burton amendment is not a cutting amendment. It is strictly an attempt to stigmatize India. Given overall cuts in development assistance as well as budget and structure, the rule changes in aid, the India program may already be vulnerable to reductions. India has just completed a national election and a new government has been sworn in. Market-oriented economic reforms have been in place for 5 years and the USAID Program has aided in these provisions. It is imperative that we send the right message to India, the world's largest democracy.

Mr. Speaker, the amendment proposed by the gentleman from Indiana [Mr. BURTON] would damage United States-India relations at a time when we should be drawing closer, not drifting apart, as the world's two largest democracies. I would urge opposition to that Burton amendment.

Mr. Speaker, I support the rule and I appreciate the fact that we are dealing with an open rule on such an important bill.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. HARMAN].

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

Mr. Speaker, as we begin debate on the foreign operations bill, Israel's future is a central issue. As a strong supporter of the peace process, I watched the recent Israeli election with some trepidation. While the transition is not yet complete, I believe that Prime Minister-elect Benjamin Netanyahu deserves high marks for his centrist tone and his willingness to reach out to all elements of Israeli society and to leaders throughout the region.

In this election, Israelis did not choose peace or security, they chose peace and security. His razor-thin election may be a source of unexpected strength for Netanyahu, justifying his reach beyond his base. While the extremes of Israel's political life try to exercise their power, the Prime Minister, for the first time elected independently, must recognize that governing on the fringe is a sure recipe for failure. He has already indicated that the most important ministries will be filled by Likud moderates.

No Israeli has been untouched by the wars Israel has had to fight for its existence. Netanyahu lost his older brother, Yonatan, who led the daring and dramatic raid on Entebbe. And no one was untouched by the tragic assassination of Yitzahk Rabin. As a warrior who waged a fight for peace, Rabin's quest must not be abandoned.

Bibi Netanyahu is assuming the post of Prime Minister at a crossroads for Israel. If this week is any indication, he is moving in the right direction.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill, as I said before in my opening statement, is an extremely important bill to the Congress and to people all over the world. In many cases, it does mean life or death. I have had the privilege and the honor of being able to travel in many Third World nations, not only living in Third World nations but traveling in Third World nations, and seeing our food aid and seeing our serums and immunization programs and oral rehydration therapy and food-enriched programs and development assistance actually work. I have followed the food from our country to the port up-country and seen it being eaten and used by the people of the country.

Most of our food, much of our food and much of our medicines, goes through nonprofit organizations, nonprofit organizations like Worldvision and Catholic Relief Services and CARE and some of the great nonprofits of the world. I am very proud of them and the work that they put in and their people that are in the field.

Mr. Speaker, these moneys and these programs really, really work. What is interesting is that there have been a couple of polls lately, as recent as 6 months ago, where people were asked about foreign aid. And they said, in so many words, that hunger and development assistance and poverty issues were as important as balancing the budget and health care. Ninety-five percent of the people polled said that, that they would like to see more money put in the child survival programs, which the gentleman from Alabama [Mr. CALLAHAN] has agreed to do. It is a tremendous thing that we are doing here, because I do know that this will save lives.

Another thing I want to say, Mr. Speaker, and Congressmen and Congresswomen and Senators need to do a much better job of it in our own districts, we need to tell people the true story of what our budget is for foreign aid. Most Americans believe, and as a matter of fact there was another poll taken about this, most Americans believe, out of our total budget that we spend in our own country and overseas, that somewhere between 17 and 22 percent of all of our budget goes for foreign aid. They believe that. In fact, it is not true.

Then when we ask people in the same poll, what do you think it really ought to be, they would say I think a good figure would be around 7 or 8 percent. The fact is, of our total budget, only one-half of 1 percent really goes for foreign aid. It continues to get cut and cut and cut. Since 1985 we have cut development assistance by 40 percent. We have cut so many excellent programs.

Whatever we say on the floor today is very, very important to many countries. How we work in the world, other countries follow. If we give money and aid to Bosnia or to Ethiopia, other countries look to see what we do. We are truly a leader in this world. If we make a statement today on the floor about Indonesia or about South Korea or about any nation in the world, it will be read by that country tomorrow. There is the funny saying that they always say, that every Congressman believes himself to be an Assistant Secretary of State. We must realize that as Members of Congress, that we do have a constituency, and the constituency really is the hurting people of the world.

One thing I also want to remind Congressmen and Members of the House is that a good portion of the bill today, even though moneys might be appropriated to Israel or to Bosnia or to many nations of the world, a good percentage of that money is spent in our own country. When we do a polio eradication program in many, many countries of the world, 80 percent of that serum is bought here in the United States. The same thing with development assistance. The same thing with economic assistance. So I hope we remember this. We do have a constituency, and the constituency is we need to really care. This foreign aid works, and it works very, very well for the world and for our own country.

Mr. GOSS. Mr. Speaker, I am happy to yield 3 minutes to the distinguished gentleman from Indiana [Mr. BURTON] chairman of the Subcommittee on the Western Hemisphere of the Committee on International Relations.

Mr. BURTON of Indiana. Mr. Speaker, I thank the distinguished gentleman for yielding time to me.

Mr. Speaker, let me say I think there is a place for a certain amount of foreign aid, but there are a number of areas where we can make some economies and make some cuts. One of those is in the administrative costs over at AID.

I want to read a quote from one of the senior staffers at AID. Her name is Sally Shelton, and my colleague, the gentleman from Virginia, has heard me use this quote before. Here is what she said. She said, ''Larry Byrne,'' assistant administrator for management at AID, ''said that AID was 62 percent,'' almost two-thirds of the way, ''through the fiscal year and we have 38 percent of the dollar volume of procurement actions completed; we need to do,'' or spend, ''another $1.9 billion in the next 5 months. There are large pockets of money in the field * * * so let's get moving.''

The indication was that they had not spent enough money, and they wanted to spend this money very rapidly so they could ask for an additional appropriation the next year. That is the kind of craziness that goes on in the bureaucracy that needs to be corrected. The only way to correct that, in my opinion, when we find this out is to make economies or cuts in those particular areas to send a signal.

When I was in the Indiana General Assembly, I was a State senator, and I went into an office. I was sitting waiting to see somebody. I heard a fellow talking around the corner. He said, ''We have got to spend x number of millions of dollars in the next 60 days or

else we cannot ask for an additional appropriation from the State legislature.''

I stuck my head around the corner and said, ''What is your name?'' And he said, ''Who are you?'' And I said, ''I am Senator Burton,'' and his face got kind of gray. I said, ''How can you be saying things like that, you want to spend money as fast as you can right now so you can ask for more money later on?''

What we need to be doing in government is putting a suggestion box on all of the walls of the bureaucracies saying ''If you come up with a suggestion that is going to save money, we will give you a bonus.'' In other words, we want to encourage cutting spending and saving money.

Here we have just the opposite. That is the same thing that was going on in my great State of Indiana when I was a State senator. We have bureaucrats who say, ''Hey, we have to get more money next year, and if we are going to ask for more money, we have to spend what we already have.'' Here we have one of the chief executive officers at AID saying ''We have to spend $1.9 billion in the next 5 months or else we cannot ask for more money.'' That is just unconscionable.

I would like to say to my colleagues, I am going to have some amendments today that will cut some spending in Federal programs. They are not going to cut into the muscle and bone, but I think they will cut into the fat, and they will certainly send a signal. It is time, if we are really concerned about balancing the budget, that we make these economies and send a signal to the bureaucracy: Do not spend more money to get more money, spend less money to do a good job.

□ 1100

Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Speaker, let me respond a bit to my friend, the gentleman from Indiana [Mr. BURTON]. I certainly have no criticism of the statement by Ms. Shelton, who is a professional of great integrity, and particularly under the recent circumstances, I would not want to say anything in the least bit critical. I do not think that there is any question but that that is an absolutely accurate statement. However, it does not necessarily imply irresponsibility or ''nonsense,'' I think is the word that the gentleman from Indiana used.

The U.S. Agency for International Development has been under the gun to make sure that their money is spent as carefully as possible so that there is full, complete accountability. In order to do that, it oftentimes requires that you delay grants, that you delay the money that is put out in the field until you get exactly that kind of project that you want. I think their concern was that there are a lot of countries in great need of assistance who are not getting that assistance because of the conscientious attitude that they have taken.

When you look at the child survival programs, for example, or the micro enterprise programs, they require a lot of analysis, a lot of staff people making sure that that money is spent well. I suspect, though, that you would have at least as many detractors if the money had not been spent when you look at the need throughout the world, particularly in the developing countries.

Now, this amendment that the gentleman from Indiana [Mr. BURTON] has, would substantially cut the ability of AID to manage these programs, particularly child survival and micro enterprise and a number of the education and democracy efforts that we are attempting in developing countries. We have already set in motion a reduction of 440 staff people in AID. This would cut us to more than 600 people who would have to be let go, most of them out in the field. That means that our programs in child survival, micro enterprise, all of the programs that we agree are needed and appropriate when we look at them individually would not be able to be managed, and I do not think that the administration or the Congress want programs out there that cannot be managed. In fact, I am told by AID that if the Burton amendment passes, with that reduction, it is likely that the agency would have to shut down its operations at some point during this fiscal year for lack of funds. I do not think that is what we want.

Let me move off of the Burton amendment, because I think we are going to have another opportunity to discuss that at some length. I want to address the bill itself.

Mr. Speaker, we recently agreed that we would increase defense spending by $12 billion above the President's request. Now, this bill in its total comes in less than $12 billion. It comes in at $11.9 billion, a full $1 billion reduction below the budget request, but it is approximately equal to the amount of money we added to defense over and a above what the Pentagon requested.

I would ask for help from the majority leadership on this, because I think they are aware of an attitude that is increasing that our policy is basically isolationist. I cannot believe that the leadership feels that it ought to be, but this is certainly the signal that is sent with this bill.

When you consider the fact that half of this bill is $5 billion, which goes to Israel and Egypt, for which we do not require any accountability for how the money is spent, the other half has to be divided among the rest of the world. And when you look at the amount of money we spend on aid to developing countries, it is .15 percent of our gross domestic product, .0015 of out total national economy. Imagine that.

Now, that is the least amount that any developed country contributes to the other developing countries of the world, and we have the most at stake. We are going to benefit the most by creating the purchasing capabilities of other countries because that equates to market opportunities in the United States.

So talk about being penny-wise and pound-foolish. We are the world's leader; there is no question about that. The rest of the world looks to us for leadership. This is not the way to lead.

Mr. GOSS. Mr. Speaker, I yield 7 minutes to the distinguished gentleman from Illinois [Mr. PORTER], a member of the committee.

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

Mr. PORTER. Mr. Speaker, I thank my colleague from Florida for yielding me this time.

Mr. Speaker, among the major abusers of human rights in the world are North Korea, and Burma, and China, and Nigeria, and Sudan, and Turkey. We do not provide foreign assistance to the first five of those, but we do to the last one, Turkey. And yes, Mr. Speaker, Turkey is a valuable ally of the United States, one that has stood with us in many difficult international situations, one that has provided for the southern flank of NATO, and yet we must worry a great deal that a country that espouses democracy, that wishes to become part of the European Union economically, still engages in some of the most egregious human rights abuses on Earth.

Let me begin by pointing out that we are 22 years after Turkish troops invaded Cyprus, and there are still 35,000 Turkish troops occupying the northern 38 percent of that island in violation of numerous U.N. resolutions and United States congressional expressions of opposition. Secretary General Boutros Boutros-Ghali, in his most recent report to the U.N. on Cyprus, expressed serious concern at the excessive levels of military forces and armaments in Cyprus and repeated that the northern part of the island remains one of the most densely militarized areas in the world. Turkish troops continue to deny the freedom and human rights of the Greek-Cypriot enclaved and have worked to drive them out of their traditional ancestral villages and homes through a process of ethnic cleansing.

In addition, Turkey continues to block humanitarian aid to our ally Armenia, where aid is very, very needed and essential to the survival of the people of that country. The President of the United States recently, not informing the Congress that he was going to do so, or ever sending notice to this body, as a matter of fact, allowed the Humanitarian Aid Corridor Act that we passed last year as part of this bill to be entirely waived regarding Turkey. What it means is that United States humanitarian aid that is destined for the people of Armenia will continue to be blocked by Turkey, which also receives aid from the United States. I cannot imagine a more egregious situation, and I cannot imagine

the fact that the President of the United States would waive that provision of the law and we would hear about it not by his notifying Congress, but through the Turkish foreign minister.

Recently, Turkey occupied islands that have long been conceded as belonging to Greece, upping the tension between our allies, Greece and Turkey, for reasons beyond comprehension, and most egregiously.

Finally, Mr. Speaker, the Kurdish minority in Turkey continues to be repressed by the government of that country. There were 713 applications for treatment of torture by the Human Rights Foundation in Turkey just last year. Torture continues to be a process used by the Turkish Government throughout the country, particularly in respect to the Kurdish minority. As many as 2 million people have left their homes in the southeast—these are Kurdish peoples—over the past 7 years and have been made refugees in their own country; 2,200 villages in the southeast have been destroyed by Turkish military troops. During the last year, 1,443 publications were confiscated on court order, most pro-Kurdish publications.

Mr. Speaker, Turkey most recently tried and convicted its leading author, and what was he convicted of? He was convicted of speaking out against the policy of the Turkish Government to use violence only against its huge Kurdish minority of 15 to 20 million people, instead of sitting down at the table and negotiating with them to resolve differences and to guarantee their rights.

Mr. Speaker, government agents have harassed human rights monitors as well as lawyers and doctors involved in documenting human rights violations. Some of them reported death threats. A number of monitors have been aggressively prosecuted by the Government of Turkey. The government gave an 8-year sentence to their leading author, Yasif Kamal, and they then said that they would not impose the sentence if he would cease criticizing the government for its policy against the Kurdish people, an obvious act of censorship by the government on a person speaking out against human rights abuses that are among the most egregious in the world.

There is genocide against the Kurds going on in Turkey, Mr. Speaker, there is continuing intransigence and militarism on Cyprus, aggression toward Greece, and disruption of United States aid intended for the people of Armenia. For all these reasons, the subcommittee cut half of the economic assistance provided to Turkey in this bill. As I said, it is one of the world's major human rights abusers, and yet the only one that receives assistance from the United States. We provided a cut in the bill to send a message that all of these abuses must cease.

We want Turkey to be our ally. We wish to have a close relationship with Turkey and with its people. But, Mr. Speaker, it is made very, very difficult to do so when a major ally of ours claiming to be a democracy observes very few of the tenets of democracy whatsoever, is listed among the major human rights abusers in the world and commits genocide against its own people without any willingness to sit down at the table and talk our differences.

I believe this cut is justified. I would go further if I could, but this Congress must send a message to Turkey, to its government, to its people, that we need to see Turkey move toward real democracy, observe human rights, the basic rights that all people on this planet deserve, and stop the occupation of Cyprus, the prevention of humanitarian aid to the people of Armenia, stop its actions against Greek interests and the repression of its Kurdish minority.

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

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

I would like to point out before I yield back my time that the efforts of the distinguished gentleman from Ohio [Mr. HALL] with regard to dealing with the problems of the world, the most egregious problems with those who are the least able to deal with themselves, the sick, the poor, the children, and particularly in the areas of starvation, the accomplishments of the gentleman and commitment to that cause are well-known and I congratulate him for that.

Obviously there are a great many global problems out there. You cannot pick up a newspaper, you cannot look at a map, you cannot turn on the television without being reminded that if it is not East Timor, it is Korea or one of the former Russian states or it is Russia itself or the Turks or the Greeks or maybe it is the Cypriots, as we have just heard the problem there, or perhaps it is the Baltics or the Balkans, perhaps it is the Visegrads. Maybe it comes to our own hemisphere, to South America or Central America or perhaps the Caribbean where we have Cuba and Haiti and some other things that catch our attention. Sometimes we look at the other side of the issues where we have apparently enemies to American interests, and Iraq and Iran and Libya jump into focus, and I have not even mentioned perhaps three of the biggest problem areas that we have, the immediate threat always to peace from the Mideast, that continuing nagging question; the problems going on in India today, the teeming masses there and how they are going to be fed and what provisions there are going to be for them. I know we have not talked about the continent of Africa where every day, if we can keep up with the map and the changes that are going on, the problems seem to be simply overwhelming.

□ 1115

The point of this is that we could have endless debate and we could commit endless resources to try and solve all the problems of the world, but obviously we do not have endless time, we do not have endless ability and we do not have endless resources. It is the people we work for, the American people, in the end, who are going to tell us how much resource we should commit to our domestic problems and then what percentage should we commit to the folks overseas who are in true need.

That is what this debate is about, and that is why I think it is important that this debate come forward under an open rule.

I have no doubt that there will be many Members coming forward and spending a great deal of time acquainting us and the people who are interested in this debate with aspects of our foreign assistance, our foreign interests, our foreign activities and our foreign operations that are vital not only to our national interests, our national well-being and to American interests overseas, whether it be individual, corporate, or just tourists on a summer vacation, but also to the well-being and the survival, as my friend from Ohio has so eloquently spoken, of so many countries where they have so little compared to what we enjoy in this much-blessed United States.

That debate, I think, is a debate that is critical every year. I think it helps set the tone and helps set the measure and the standard of what we are about in our world leadership role. I look forward to that debate, and I am extremely pleased that we are able to come forward from the Rules Committee, both sides, in agreement that this should be an open rule so that we can have such discussion in the people's House.

Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PORTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3540, and that I may include tabular and extraneous material.

The SPEAKER pro tempore (Mr. HEFLEY). Is there objection to the request of the gentleman from Illinois?

There was no objection.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

The SPEAKER pro tempore. Pursuant to House Resolution 445 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3540.

□ 1118

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3540) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes, with Mr. HANSEN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Alabama [Mr. CALLAHAN] and the gentleman from Texas [Mr. WILSON] will each control 30 minutes.

The Chair recognizes the gentleman from Alabama [Mr. CALLAHAN].

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the Committee on Appropriations has reported a 1997 foreign operations and export financing bill that is balanced, compassionate, and supportive of our national interest. It has bipartisan support.

The bill the House is taking up today is within the subcommittee's 602 allocation, with $256,000 in budget authority left over. The bill is $1 billion under the President's request, and it is $458 million less than last year's bill, including all of the supplementals.

Although the administration did not request it, we have restored a separate child survival and disease programs fund and have provided $600 million for the fund.

Helping children and fighting infectious diseases such as polio and tuberculosis is our highest priority in this bill.

There are no earmarks in this bill. The Democrat managers agree with me on this, and will oppose any earmark amendments. Our report language makes clear the overwhelming support for the requests for Israel, Egypt, Ukraine, and Armenia.

On a general basis, this bill favors bilateral programs, undertaken in the name of the American people, over multilateral programs. We have attempted to fund programs of the State and Defense Departments and A.I.D., either at the request level or at the current level. For the most part, the President did not seek big increases in these areas.

We simply don't have enough money in our allocation to fund the big increases requested for some of the multilateral banks and international organizations. In fact, several of them are at last year's House-passed or conference levels.

With the International Development Association—it is called IDA—we recommend $525 million. Before that money can be spent, the bill requires a report from the Treasury on the procurement restrictions placed on American companies.

If our allocation were bigger, I'd still have problems with IDA's full request for $935 million, because of the unfortunate restrictions on American procurement.

The recommendation on population is different from what the House passed last year. It is different from what is current law. This language represents a compromise that gives an incentive for foreign family planning groups to voluntarily comply with Mexico City principles. I am hopeful that this prolife language will be acceptable to the Senate. I am confident it is something the President can live with.

As I said a few minutes ago, this is a balanced and compassionate bill. We wouldn't be here today without the contributions of each and every one of the subcommittee members. I want to especially thank the chairman and former chairman of the full committee. Finally, I want to thank my friend from Texas, the ranking Democrat on the subcommittee, who will be retiring sometime after we conference this bill.

In closing, I must mention that 75 amendments have been filed for this bill. Of these, 44 were filed by DAVID OBEY in an attempt to delay the Wisconsin matter. Another 18 were filed by Republican Members, and I am aware of several other possible amendments. As far as I know, only one of these was brought to the attention of the committee before we marked up the bill.

At this time, I intend to oppose all of these amendments. Our bill took a lot of work and represents a fine balance among Republicans and between the two parties. I don't feel that those who didn't bother to inform us of their concerns in a timely manner deserve more consideration than the men and women who worked with the committee. I especially oppose attempts by the authorizers to burden this bill with matters within their jurisdiction.

Last year, this appropriation bill incorporated major authorization bills in order to cooperate with the authorizers. This year some of them demand more money for Africa while objecting to our attempts to do just that by giving the President discretionary authority to forgive African debt.

I don't serve on the International Relations Committee. Don't make this an authorization bill. Direct those concerns to BEN GILMAN and LEE HAMILTON.

Mr. Chairman, last year this bill received over 300 votes from both sides of the aisle. This year I ask the indulgence of the House to reject attempts to add well-meaning, but last-minute, policy matters to the bill. They don't belong on this bill.

Including last-minute policy matters here on this bill will only delay conference action and enactment of this appropriation bill. We want to get this bill, and all of the appropriations bills, to the President as soon as possible.

Mr. Chairman, I include the following extraneous material:

FY 1997 FOREIGN OPERATIONS EXPORT FINANCING AND RELATED PROGRAMS APPROPRIATIONS BILL (H.R. 3540)

	FY 1996 Enacted	FY 1997 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
TITLE I - EXPORT AND INVESTMENT ASSISTANCE					
EXPORT-IMPORT BANK OF THE UNITED STATES					
Limitation on Program Activity:					
Subsidy appropriations	744,551,000	736,551,000	726,000,000	-18,551,000	-10,551,000
Administrative expenses	45,614,000	47,614,000	47,614,000	+2,000,000	.....
Negative subsidy	-89,646,000	-58,000,000	-58,000,000	+31,646,000	.....
Total, Export-Import Bank of the United States	700,519,000	726,165,000	715,614,000	+15,095,000	-10,551,000
OVERSEAS PRIVATE INVESTMENT CORPORATION					
Administrative expenses	26,000,000	32,000,000	30,000,000	+4,000,000	-2,000,000
Insurance fees and other offsetting collections	-202,500,000	-224,000,000	-224,000,000	-21,500,000	.....
Direct loans:					
Loan subsidy	4,000,000	4,000,000	4,000,000	.....	.....
(Loan authorization)	(79,523,000)	(80,000,000)	(80,000,000)	(+477,000)	.....
Guaranteed loans:					
Loan subsidy	68,000,000	68,000,000	68,000,000	.....	.....
(Loan authorization)	(1,351,900,000)	(1,360,000,000)	(1,360,000,000)	(+8,100,000)	.....
Total, Overseas Private Investment Corporation	-104,500,000	-120,000,000	-122,000,000	-17,500,000	-2,000,000
FUNDS APPROPRIATED TO THE PRESIDENT					
Trade and Development Agency					
Trade and development agency	40,000,000	40,000,000	38,000,000	-2,000,000	-2,000,000
(By transfer)	.....	(5,000,000)	(5,000,000)	(+5,000,000)	.....
Total, title I, Export and investment assistance	636,019,000	646,165,000	631,614,000	-4,405,000	-14,551,000
(Loan authorizations)	(1,431,423,000)	(1,440,000,000)	(1,440,000,000)	(+8,577,000)	.....
TITLE II - BILATERAL ECONOMIC ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
Agency for International Development					
Sustainable development assistance	.....	1,006,000,000	.....	.....	-1,006,000,000
Child survival and disease programs fund	.....	.....	600,000,000	+600,000,000	+600,000,000
Development assistance	1,675,000,000	.....	1,150,000,000	-525,000,000	+1,150,000,000
Development Fund for Africa	.....	704,000,000	.....	.....	-704,000,000
International disaster assistance	181,000,000	190,000,000	190,000,000	+9,000,000	.....
Debt restructuring	10,000,000	47,000,000	10,000,000	.....	-37,000,000
(By transfer)	(5,000,000)	.....	(12,000,000)	(+7,000,000)	(+12,000,000)
Micro and Small Enterprise Development program:					
Subsidy appropriations	1,500,000	1,500,000	1,500,000	.....	.....
Administrative expenses	500,000	500,000	500,000	.....	.....
(Direct loan authorization)	(1,435,000)	(1,000,000)	(1,000,000)	(-435,000)	.....
(Guaranteed loan authorization)	(16,700,000)	(17,000,000)	(17,000,000)	(+300,000)	.....
Housing and other credit guaranty programs:					
Subsidy appropriations	4,000,000	5,000,000	500,000	-3,500,000	-4,500,000
Operating expenses	7,000,000	6,000,000	6,000,000	-1,000,000	.....
(Guaranteed loan authorization)	(33,700,000)	(42,000,000)	(10,000,000)	(-23,700,000)	(-32,000,000)
Subtotal, development assistance	1,879,000,000	1,960,000,000	1,958,500,000	+79,500,000	-1,500,000
Payment to the Foreign Service Retirement and Disability Fund	43,914,000	43,826,000	43,826,000	-88,000	.....
Operating expenses of the Agency for International Development	465,750,000	495,000,000	465,750,000	.....	-29,250,000
(By transfer)	(3,000,000)	.....	.....	(-3,000,000)	.....
Operating expenses of the Agency for International Development Office of Inspector General	30,200,000	30,000,000	30,000,000	-200,000	.....
Subtotal, Agency for International Development	2,418,864,000	2,528,826,000	2,498,076,000	+79,212,000	-30,750,000
Other Bilateral Economic Assistance					
Economic support fund:					
Camp David countries	2,015,000,000	2,015,000,000	2,015,000,000	.....	.....
Other	325,000,000	393,000,000	321,000,000	-4,000,000	-72,000,000
Subtotal, Economic support fund	2,340,000,000	2,408,000,000	2,336,000,000	-4,000,000	-72,000,000
International fund for Ireland	19,600,000	.....	19,600,000	.....	+19,600,000
Assistance for Eastern Europe and the Baltic States	522,000,000	475,000,000	475,000,000	-47,000,000	.....
Assistance for the New Independent States of the Soviet Union	641,000,000	640,000,000	590,000,000	-51,000,000	-50,000,000
Subtotal, Other Bilateral Economic Assistance	3,522,600,000	3,523,000,000	3,420,600,000	-102,000,000	-102,400,000
Total, Agency for International Development	5,941,464,000	6,051,826,000	5,918,676,000	-22,788,000	-133,150,000

FY 1997 FOREIGN OPERATIONS EXPORT FINANCING AND RELATED PROGRAMS APPROPRIATIONS BILL (H.R. 3540)—Continued

	FY 1996 Enacted	FY 1997 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
African Development Foundation					
Appropriations	(11,500,000)	12,500,000	11,500,000	+11,500,000	-1,000,000
Inter-American Foundation					
Appropriations	(20,000,000)	20,000,000	20,000,000	+20,000,000	.....
Total, Funds Appropriated to the President	5,941,464,000	6,084,326,000	5,950,176,000	+8,712,000	-134,150,000
Peace Corps					
Appropriations	205,000,000	220,000,000	212,000,000	+7,000,000	-8,000,000
(By transfer)	.....	(5,000,000)	(12,000,000)	(+12,000,000)	(+7,000,000)
Department of State					
International narcotics control	115,000,000	213,000,000	150,000,000	+35,000,000	-63,000,000
(By transfer)	(20,000,000)	.....	.....	(-20,000,000)	.....
Migration and refugee assistance	671,000,000	650,000,000	650,000,000	-21,000,000	.....
Refugee resettlement assistance	5,000,000	.....	5,000,000	.....	+5,000,000
United States Emergency Refugee and Migration Assistance Fund	50,000,000	50,000,000	50,000,000	.....	.....
Anti-terrorism assistance	16,000,000	17,000,000	.....	-16,000,000	-17,000,000
Nonproliferation and Disarmament Fund	20,000,000	20,000,000	.....	-20,000,000	-20,000,000
Nonproliferation and anti-terrorism	.....	.....	135,000,000	+135,000,000	+135,000,000
Counter-terrorism assistance to Israel	50,000,000	50,000,000	.....	-50,000,000	-50,000,000
Total, Department of State	927,000,000	1,000,000,000	990,000,000	+63,000,000	-10,000,000
Total, title II, Bilateral economic assistance	7,073,464,000	7,304,326,000	7,152,176,000	+78,712,000	-152,150,000
(By transfer)	(28,000,000)	(5,000,000)	(24,000,000)	(-4,000,000)	(+19,000,000)
(Loan authorizations)	(51,835,000)	(60,000,000)	(28,000,000)	(-23,835,000)	(-32,000,000)
TITLE III - MILITARY ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
International Military Education and Training	39,000,000	45,000,000	45,000,000	+6,000,000	.....
Foreign Military Financing Program:					
Grants:					
Camp David countries	3,100,000,000	3,100,000,000	3,100,000,000	.....	.....
Other	178,390,000	128,250,000	122,250,000	-56,140,000	-6,000,000
Subtotal, grants	3,278,390,000	3,228,250,000	3,222,250,000	-56,140,000	-6,000,000
(Limitation on administrative expenses)	(23,250,000)	(23,250,000)	(23,250,000)	.....	.....
Direct concessional loans:					
Subsidy appropriations	64,400,000	40,000,000	35,000,000	-29,400,000	-5,000,000
(Loan authorization)	(544,000,000)	(370,028,000)	(323,815,000)	(-220,185,000)	(-46,213,000)
FMF program level	(3,822,390,000)	(3,598,278,000)	(3,546,065,000)	(-276,325,000)	(-52,213,000)
Total, Foreign military assistance	3,342,790,000	3,268,250,000	3,257,250,000	-85,540,000	-11,000,000
Special Defense Acquisition Fund:					
Offsetting collections	-220,000,000	-166,000,000	-166,000,000	+54,000,000	.....
Peacekeeping operations	70,000,000	70,000,000	65,000,000	-5,000,000	-5,000,000
Total, title III, Military assistance programs	3,231,790,000	3,217,250,000	3,201,250,000	-30,540,000	-16,000,000
(Limitation on administrative expenses)	(23,250,000)	(23,250,000)	(23,250,000)	.....	.....
(Loan authorization)	(544,000,000)	(370,028,000)	(323,815,000)	(-220,185,000)	(-46,213,000)
TITLE IV - MULTILATERAL ECONOMIC ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
International Financial Institutions					
World Bank Group					
Contribution to the International Bank for Reconstruction and Development:					
Paid-in capital	28,189,963	.....	.....	-28,189,963	.....
(Limitation on callable capital)	(911,475,013)	.....	.....	(-911,475,013)	.....
Contribution to the International Finance Corporation	60,900,000	6,656,000	6,656,000	-54,244,000	.....
Contribution to the Global Environment Facility	35,000,000	100,000,000	30,000,000	-5,000,000	-70,000,000
Total, contribution to the International Bank for Reconstruction and Development	(1,035,564,976)	(106,656,000)	(36,656,000)	(-998,908,976)	(-70,000,000)
Contribution to the International Development Association	700,000,000	934,503,100	525,000,000	-175,000,000	-409,503,100
Total, World Bank Group	(1,735,564,976)	(1,041,159,100)	(561,656,000)	(-1,173,908,976)	(-479,503,100)
Budget authority	824,089,963	1,041,159,100	561,656,000	-262,433,963	-479,503,100
(Limitation on callable capital)	(911,475,013)	.....	.....	(-911,475,013)	.....

FY 1997 FOREIGN OPERATIONS EXPORT FINANCING AND RELATED PROGRAMS APPROPRIATIONS BILL (H.R. 3540)—Continued

	FY 1996 Enacted	FY 1997 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Contribution to the Inter-American Development Bank:					
Inter-regional paid-in capital	25,952,110	25,610,667	25,610,667	-341,443	.....
(Limitation on callable capital)	(1,523,767,142)	(1,503,718,910)	(1,503,718,910)	(-20,048,232)	.....
Fund for special operations	10,000,000	31,411,000	10,000,000	.....	-21,411,000
Enterprise for the Americas Multilateral Investment Fund	53,750,000	27,500,000	27,500,000	-26,250,000	.....
Total, contribution to the Inter-American Development Bank	(1,613,469,252)	(1,588,240,577)	(1,566,829,577)	(-46,639,675)	(-21,411,000)
Contribution to the Asian Development Bank:					
Paid-in capital	13,221,596	13,221,596	13,221,596	.....	.....
(Limitation on callable capital)	(647,858,204)	(647,858,204)	(647,858,204)	.....	.....
Development fund	100,000,000	100,000,000	100,000,000	.....	.....
Total, contribution to the Asian Development Bank	(761,079,800)	(761,079,800)	(761,079,800)	.....	.....
Contribution to the African Development Fund	.....	50,000,000	.....	.....	-50,000,000
Contribution to the African Development Bank:					
Paid-in capital	.....	16,000,000	.....	.....	-16,000,000
(Limitation on callable capital)	.....	(112,000,000)	.....	.....	(-112,000,000)
Total, contribution to the African Development Bank	.....	(128,000,000)	.....	.....	(-128,000,000)
Contribution to the European Bank for Reconstruction and Development:					
Paid-in capital	70,000,000	11,916,447	11,916,447	-58,083,553	.....
(Limitation on callable capital)	(163,333,333)	(27,805,043)	(27,805,043)	(-135,528,290)	.....
Total, contribution to the European Bank for Reconstruction and Development	(233,333,333)	(39,721,490)	(39,721,490)	(-193,611,843)	.....
North American Development Bank:					
Paid-in capital	56,250,000	56,250,000	50,625,000	-5,625,000	-5,625,000
(Limitation on callable capital)	(318,750,000)	(318,750,000)	(318,750,000)	.....	.....
Contribution to the Bank for Economic Cooperation and Development in the Middle East and North Africa:					
Paid-in capital	.....	52,500,000	.....	.....	-52,500,000
(By transfer)	.....	.....	.....	.....	.....
(Limitation on callable capital)	.....	(157,500,000)	.....	.....	(-157,500,000)
International Monetary Fund					
Contribution to the enhanced structural adjustment facility	.....	7,000,000	.....	.....	-7,000,000
Total, contribution to International Financial Institutions	(4,718,447,361)	(4,200,200,967)	(3,298,661,867)	(-1,419,785,494)	(-901,539,100)
Budget authority	1,153,263,669	1,432,568,810	800,529,710	-352,733,959	-632,039,100
(Limitation on callable capital)	(3,565,183,692)	(2,767,632,157)	(2,498,132,157)	(-1,067,051,535)	(-269,500,000)
International Organizations and Programs					
International organizations and programs	285,000,000	325,000,000	136,000,000	-149,000,000	-189,000,000
(By transfer)	(30,000,000)	.....	.....	(-30,000,000)	.....
Total, title IV, contribution for Multilateral Economic Assistance.	(5,003,447,361)	(4,525,200,967)	(3,434,661,867)	(-1,568,785,494)	(-1,090,539,100)
Budget authority	1,438,263,669	1,757,568,810	936,529,710	-501,733,959	-821,039,100
(By transfer)	(30,000,000)	.....	.....	(-30,000,000)	.....
(Limitation on callable capital)	(3,565,183,692)	(2,767,632,157)	(2,498,132,157)	(-1,067,051,535)	(-269,500,000)
Grand total, all titles:					
New budget (obligational) authority	12,379,536,669	12,925,309,810	11,921,569,710	-457,966,959	-1,003,740,100
(By transfer)	(58,000,000)	(10,000,000)	(29,000,000)	(-29,000,000)	(+19,000,000)
(Limitation on administrative expenses)	(23,250,000)	(23,250,000)	(23,250,000)	.....	.....
(Limitation on callable capital)	(3,565,183,692)	(2,767,632,157)	(2,498,132,157)	(-1,067,051,535)	(-269,500,000)
(Loan authorizations)	(2,027,258,000)	(1,870,028,000)	(1,791,815,000)	(-235,443,000)	(-78,213,000)
TITLE I - EXPORT AND INVESTMENT ASSISTANCE					
Export Assistance Appropriations	928,165,000	928,165,000	913,614,000	-14,551,000	-14,551,000
Negative Subsidies and Offsetting Collections	-292,146,000	-282,000,000	-282,000,000	+10,146,000	.....
Total, Export Assistance	636,019,000	646,165,000	631,614,000	-4,405,000	-14,551,000
TITLE II - BILATERAL ECONOMIC ASSISTANCE					
Bilateral Development Assistance	3,550,864,000	3,781,326,000	3,731,576,000	+180,712,000	-49,750,000
Other Bilateral Economic Assistance	3,522,600,000	3,523,000,000	3,420,600,000	-102,000,000	-102,400,000
Total, Bilateral Economic Assistance	7,073,464,000	7,304,326,000	7,152,176,000	+78,712,000	-152,150,000

FY 1997 FOREIGN OPERATIONS EXPORT FINANCING AND RELATED PROGRAMS APPROPRIATIONS BILL (H.R. 3540)—Continued

	FY 1996 Enacted	FY 1997 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
TITLE III - MILITARY ASSISTANCE					
Foreign Military Financing Program:					
Grants	3,278,390,000	3,228,250,000	3,222,250,000	-56,140,000	-6,000,000
Direct loans, subsidy costs	64,400,000	40,000,000	35,000,000	-29,400,000	-5,000,000
(Estimated level of direct loans)	(544,000,000)	(370,028,000)	(323,815,000)	(-220,185,000)	(-46,213,000)
Subtotal, Foreign Military Financing Program:					
Budget authority	3,342,790,000	3,268,250,000	3,257,250,000	-85,540,000	-11,000,000
(Program level)	(3,822,390,000)	(3,598,278,000)	(3,546,065,000)	(-276,325,000)	(-52,213,000)
Other, Military	109,000,000	115,000,000	110,000,000	+1,000,000	-5,000,000
Special Defense Acquisition Fund	-220,000,000	-166,000,000	-166,000,000	+54,000,000	.....
Total, Military Assistance Programs	3,231,790,000	3,217,250,000	3,201,250,000	-30,540,000	-16,000,000
TITLE IV - MULTILATERAL ECONOMIC ASSISTANCE					
Contributions to International Financial Institutions	1,153,263,669	1,425,568,810	800,529,710	-352,733,959	-625,039,100
International organizations and programs	285,000,000	325,000,000	136,000,000	-149,000,000	-189,000,000
Total, contribution for Multilateral Economic Assistance	1,438,263,669	1,750,568,810	936,529,710	-501,733,959	-814,039,100
Grand total, all titles	12,379,536,669	12,925,309,810	11,921,569,710	-457,966,959	-1,003,740,100

HOUSE OF REPRESENTATIVES,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, May 30, 1996.

Hon. BILL ARCHER,
Chairman, Committee on Ways and Means, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: As part of the markup for the fiscal year 1997 appropriations for Foreign Operations, Export Financing and Related Programs, the Committee on Appropriations included a general provision (section 533) that was included in last year's Act regarding Presidential authority to impose import sanctions on countries that trade with Iraq and several other nations. It provides discretionary authority, but the language is legislative in nature.

While this language was included in the 1996 appropriations Act, it deals with matters under the jurisdiction of the Ways and Means Committee. I am writing to ask if you have any objection to inclusion of this language in the fiscal year 1997 appropriations Act.

Thank you for your attention to this matter.

Sincerely,

SONNY CALLAHAN.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAY AND MEANS,
Washington, DC, May 30, 1996.

Hon. SONNY CALLAHAN,
Chairman, Subcommittee on Foreign Operations, Export Financing and Related Programs, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing in response to your request regarding floor consideration of H.R. 3540, a bill making appropriations for foreign operations programs for fiscal year 1997, which was reported by the Committee on Appropriations on May 29, 1996.

Specifically, section 553(b) of the bill would grant the President the authority to impose import sanctions on products from countries that have not conformed to the United Nations economic sanctions with respect to Iraq, Serbia, or Montenegro. The grant of authority for such an import restriction falls within the jurisdiction of the Committee on Ways and Means, and constitutes a tariff measure for the purposes of rule XXI(5)(b) of the Rules of the House, which prohibits the reporting of a tax or tariff measure in a bill not reported by the committee of jurisdiction.

I note, however, that similar language has been included in each of the foreign operations annual appropriations enacted into law since 1991. Therefore, based on your advanced communication on this matter with me, I will not object to your request for a waiver of Rule XXI(5)(b) on this bill. Nonetheless, I believe that the Rule should not be waived against any amendments that may be made in order to the bill on the House floor.

This is being done with the understanding that the Committee will be treated without prejudice as to its jurisdictional prerogatives on such or similar provisions in the future, and it should not be considered as precedent for consideration of matters of jurisdictional interest to the Committee on Ways and Means in the future. This is also being done with the understanding that this provision will not be broadened during conference consideration, and that no additional revenue matters will be included in the final conference report.

Finally, I would ask that a copy of our exchange of letters on this matter be placed in the Record during consideration of the bill on the Floor. Thank you for your cooperation regarding this matter. I look forward to reviewing this issue with you again in advance of next year's appropriations cycle. With best personal regards.

Sincerely,

BILL ARCHER,
Chairman.

Mr. CALLAHAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Chairman, I rise in strong support of this bill. I want to express my gratitude and appreciation to the subcommittee chairman and his staff for working within a tight budget to produce a constructive foreign assistance bill. I generally support a higher level of funding for all foreign assistance programs, but in these times of fiscal restraint, I certainly understand the need to comply with a strict budget ceiling.

Unfortunately, now, after the fall of the Soviet Union, having established ourselves as the dominant world leader, Mr. Chairman, I fear that we are abandoning our post.

By reducing our foreign assistance as much as we have, we are limiting the impact we can have in international development, especially in rapidly emerging markets of the developing world. Just as the world is becoming more interconnected, the United States seems to be retreating into greater and greater isolation. To preserve the United States as a dominant world leader, I believe this trend must be reversed.

I commend the chairman for not reducing funding for development assistance. After a drastic reduction last year, funding for fiscal year 1997 will allow bilateral assistance agencies to maintain many of their important programs. I also support the chairman's appropriations for the Peace Corps, the Inter-American Foundation, and the overall appropriations for the multilateral lending institutions.

Although I am generally supportive of this bill, I do have some specific concerns, Mr. Chairman. I am deeply disappointed by the subcommittee's endorsement of the trend set in fiscal year 1996 for drastically reduced levels of funding for international family planning assistance. By limiting this funding, numerous women and children will suffer because they will not have access to adequate health and family planning services.

Assistance for family planning has been misrepresented as assistance for abortions. In reality, the exact opposite is the truth. It is inaccurate to portray funding for family planning, for women's and children's health services and for reproductive education, in any way as funding for abortion.

I know that this is an extremely heated debate. However, it is time for pro-life and pro-choice sides to remember who is directly affected by these philosophical wars: women and children in the poorest countries. I urge this committee and this Congress to reassess its strategy for international family assistance and prevent the deaths and suffering of countless women and children in the developing world.

I also want to stress my support, Mr. Chairman, for the international organizations and programs account. This account includes, among others, the United Nations Fund for Victims of Torture, the United Nations Environmental Program, the United Nations Development Program, and numerous multilateral conservation programs.

Too often, these U.N. programs get lumped together and their important individual responsibilities are overlooked. Each of them provides a unique service as part of a worldwide network that coordinates efforts to produce the most effective results.

Specifically, I think it is important to highlight the importance of the U.N. Voluntary Fund for Victims of Torture, UNDP, and the World Conservation Union or IUCN. UNFVT brings relief to victims who have been tortured while trying to promote democracy within their respective countries.

The UNDP, whose budget was significantly reduced in fiscal year 1996, is the fundamental source for technical assistance working in the local communities of developing countries. IUCN, whose membership consists of 70 states, 100 governmental agencies, and 800 NGO's, provides the technical assistance and policy input for numerous international conventions the United States was instrumental in designing.

I am also seriously concerned with the 8-percent reduction in funding assistance for the newly independent states of the former Soviet Union. Now is not the time to make this excessive cut, as these young countries struggle to embrace democratic and economic reforms.

With our strong support, these countries will move toward stable democracies and economies. For example, just last year, with our support, Armenia made great progress with a positive GDP growth of 7 percent. If we expect this progress to continue, we must continue to support Armenia and its neighbors.

Mr. Chairman, let me finish by saying I am also deeply troubled by the behavior of the Government of Turkey which I addressed in my remarks on the rule. Yes, Turkey is a valued ally and a cherished NATO partner. But Turkey continues, despite repeated international pleas, to commit atrocious human rights violations against both its own citizens and against those of its struggling neighbors.

Continuing to give U.S. economic assistance is the equivalent of turning our heads the other way to these outrageous human rights violations. As a world leader, we must send a strong message to Turkey to immediately reform their human rights practices, and sending this message begins by reducing their economic assistance, as we have done in this bill.

Mr. Chairman, despite my differences with parts of the bill, I believe it deserves the support of the House, and I commend it to the Members for their support.

Mr. WILSON. Mr. Chairman, I yield myself such time as I may consume.

First, I want to express my thanks to Chairman CALLAHAN for working closely with me and the staff in putting together this bill. The foreign operations bill is always painful to put together, but with Mr. CALLAHAN'S leadership and understanding that people have different views on issues, we have come out with a reasonably good bill.

I know he didn't have as much money as he, or I might have wanted for the bill. Thus the distribution of funds in the bill leaves some people short, particularly in the international banks, and the NIS accounts. But for the most part I support the distribution of funds in the bill and the approach of including no earmarks. This is the approach used for the last several years, and one which I support.

The bill provides for essentially last year's level of funding for export promotion programs vital to U.S. business. The Export-Import Bank has been funded at a level which will allow them to meet the demand from U.S. business for loan guarantees. The amounts now on deposit in the war chest are sufficient in my opinion to ensure that foreign countries take seriously our intention to prohibit unfair trade practices.

As a perennial strong supporter of Ex-Im bank and export programs, I do not support attempts to add funding for this account. The bill is carefully balanced, and any increases to Ex-Im programs will come at the expense of other programs in the bill which have already been cut.

The bill fully funds the administration's request for military assistance, and continues aid to Turkey and Greece in the traditional ratios. The bill contains a limitation of $25 million on ESF to Turkey. This represents a compromise reached at the subcommittee level among various factions on this issue, and should not be altered on the floor. I will strongly oppose any efforts to amend the bill to alter this compromise.

The bill provides for the traditional levels of assistance for the Middle East, for Israel and Egypt, as well as the West Bank and Gaza and Jordan. The bill provides for $50 million for the second increment of security-related funds for Israel. The bill does not provide for debt relief for Jordan, which is regrettable and I hope to work on this as we go through the process.

Assistance to Eastern Europe is at the request level and in particular the second increment of the Bosnia reconstruction is fully funded.

Authorities to allow for the delivery of humanitarian assistance in the Republic of Azerbaijan and the region of Nagorno-Karabagh have been provided in the bill. The report language specifically states that the committee takes no view whatsoever on the political status of the region of Nagorno-Karabagh. This compromise was reached in subcommittee to allow for the delivery of humanitarian assistance through the Government of Azerbaijan under certain specific circumstances. It solves problems encountered this year due to restrictions placed in previous years bills and reports. It should not be altered.

Again, I would emphasize that the committee has taken no position on the political status of the region of Nagorno-Karabagh, and there is nothing in this bill or report that is meant to change, qualify, comment on, or alter the sovereignty of any nation in this region. The official position of the United States supports the sovereignty and territorial integrity of the Republic of Azerbaijan, and views the region of Nagorno-Karabagh as part of Azerbaijan. Efforts by certain groups to portray the actions of the committee in a certain light may have ignored the facts of what actually took place.

I also expect there will be amendments on the population funding and family planning during the deliberations today. While I am aware that the language in the bill was worked out on the Republican side, there are many people who disagree strongly with it, and I therefore expect that amendments will be offered.

In closing, Mr. Chairman, let me again thank Mr. CALLAHAN for his cooperation on this bill. This will probably be the last bill I will manage on the House floor, and I want to express my gratitude for his approach, his understanding, and his good humor throughout the process. I hope we can work together to get through it.

□ 1130

Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, let me simply observe that this bill is probably the least popular bill to emerge from the Committee on Appropriations every year, and I think it is without question the most misunderstood bill. If we take a poll of America, we will see that most Americans think that we spend about 15 to 17 percent of our budget on foreign aid. The fact is that this bill, which is the foreign aid appropriation bill before us today, spends roughly 1 percent of our budget. That is all it spends. I would like to explain why I think that is by and large justifiable.

We have seen the overall spending for foreign aid go down by over 30 percent in the last decade under the subcommittee chairmanship of myself and now the gentleman from Alabama. It is going to be very difficult to point to any other part of the budget which has declined as fast. I would simply say that there is a price for participation in the world. There is a price for defending your own national interest in the world, and this bill is part of that price.

There are many ways which a great nation such as the United States defends its interests around the world. We do that through our defense budget. We do it by trying to build up a set of political relationships with other societies who also populate this globe and with other economic and military powers. We do it through economic relationships and through trade relationships, and we also do it through this bill.

This bill is meant to help attack some of the problems around the world, some economic, some political and some military, which, if allowed to get out of hand, could grow like cancer and create severe problems for our national interest down the line. Just a couple examples: We had a long divisive fight in this country over the military support that we were giving the Contras. The Contras were a military operation to overthrow the new Marxist government in Nicaragua a number of years ago. That whole problem came about because for years conditions slowly developed in the country of Nicaragua which led to an explosion, a revolution, and the taking of power by a group of people who certainly did not have the best interest of the United States in mind. We wound up spending a lot of resources and having a huge fight that divided this society and this Congress because the conditions that occurred in Nicaragua were not improved while we had time to do it without winding up in a military confrontation.

The Soviet Union: We have spent literally trillions of dollars since the end of World War II trying to see to it that the Soviet Union changed in nature internally or at least externally did not any longer provide a threat to their neighbors or to us. Now with the Wall down, we are trying to work with that country in economic and political ways to try to eliminate the physical presence of missiles that in the past had been aimed at us, to try to build institutions in the former Soviet Union that will help democratic forces change that society against a thousand years of history that run in the other direction. I think it is worth it for us to have that kind of engagement.

The Middle East: Certainly if the Middle East is not stabilized, it will eventually cause great problems for this country economically, and it could also cause great problems militarily. It already has from time to time. All we have to do is to witness what happened with the Iraqi war.

The Balkans: That has been a tumultuous part of the world for decades, and it is in the United States' interest to try to see to it that the controversies in that part of the globe do not spill over in ways which damage the national interest of the United States.

We are trying to deal with all of those problems within this very tiny bill. We also have moral obligations to some of the fellow creatures who populate this planet. In fact, American taxpayers can be intensely proud of the fact that their money has been used for low-cost immunization programs which have literally hugely expanded the

level of immunization against devastating childhood diseases for many of the children around the world. We have literally saved millions of lives through those programs, programs such as UNICEF, and this bill also funds that.

So I think, while we will have many disagreements on the floor today about the edges of this bill, this bill is essential in order to meet our responsibilities both to the world and, most of all, to our own values and to our own interest.

Having said that, let me simply congratulate the subcommittee chairman for the manner in which he has conducted himself in bringing this bill to the floor. I know that from time to time it is frustrating to get caught up in arguments that he was not a part of. But as Archie the Cockroach, my favorite philosopher, said once, ''Now and then somebody is born who is so unlucky he runs into accidents that started out to happen to somebody else.'' I am sure that is the way the gentleman feels today.

I would also like to say a special word, if I could get the attention of the gentleman from Texas [Mr. WILSON]. I would like to say a few words about CHARLIE WILSON. I have served with CHARLIE for more than 15 years now. How long have you been here, CHARLIE?

Mr. WILSON. Twenty-four.

Mr. OBEY. Twenty-four. How time flies. I served with CHARLIE for all of the time that he has served here. I want to say as one Member to another that I will miss him greatly. He has brought wit, he has brought compassion, he has brought tough-mindedness, he has brought fair-mindedness, and he has brought a passion for excellence to this Congress which we are never in an oversupply of.

I simply want to say that I think whether the issue has been the Middle East or whether the issue has been taking care of the needs of children, or meeting our complicated responsibilities on the economic front, CHARLIE WILSON has always had the courage to defend what he regarded as American interest. I appreciate that fact and also appreciate the way he has gone about doing his job for as long as he has been a part of this body.

I also want to say very clearly that, if it had not been for CHARLIE WILSON, America would not have experienced a foreign policy success in Afghanistan. I cannot recall another occasion which has been so dramatic. Virtually single-mindedly, CHARLIE WILSON persisted and persevered and demanded after the Russian invasion of Afghanistan that we help the forces in that country who were trying to continue the resistance.

I remember children who were blown apart by that war being brought to this country by CHARLIE. I remember seeing several of them in my office. He expended virtually every ounce of energy that it was possible for a human being to expend for a cause which he thought was just and in the end almost single-handedly helped to shape American policy on that.

□ 1145

I just want to take my hat off to him and say that he has been, in so many ways, a strong addition to this institution and we will miss him greatly.

Mr. CALLAHAN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. GILMAN], the chairman of the Committee on International Relations.

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

Mr. GILMAN. Mr. Chairman, I too want to join in commending the distinguished ranking member of the committee, the gentleman from Texas [Mr. WILSON], for his long years of service to this body and his concern for foreign operations, foreign policy, going throughout the world to try to pursue the best interests of our Nation. This body will sorely miss him and we wish him well in his early retirement.

Mr. Chairman, I am pleased to rise in support of H.R. 3540, the foreign operations appropriations bill, and I want to salute the chairman of the Subcommittee on Foreign Operations, the gentleman from Alabama [Mr. CALLAHAN]. Working with this able ranking Democratic member, the gentleman from Texas [Mr. WILSON] and other members of his subcommittee, he crafted legislation that strikes a balance between the national security, humanitarian, and development goals of this Nation and the need to conserve the taxpayers' money.

The chairman's job is not an easy one, and I know it is not one he sought. He has done yeoman's work in explaining to the American public the ways that foreign assistance serves our national interest. These programs help provide leverage to American diplomacy and they provide security and the stability that accompanies development in many parts of the world. If that security and stability was absent, our Nation would likely be called on to step in or to face the consequences of the instability. It is that simple. Foreign aid and diplomacy prevents the need for U.S. troops to go in and solve problems later, in bloody and more expensive ways.

With two minor exceptions, the appropriation amounts in chairman's bill are within the authorization levels contemplated in the conference report on H.R. 1561, the Foreign Relations Authorization Act, that was passed by the House but vetoed by the President. To the extent programs were not included in the conference report, the relevant appropriations are within the amounts provided in the House-passed version of that bill. I should add, if I may, that the passage of this bill, which I fully expect will occur on an overwhelming, bipartisan basis, continues to vindicate the choices on resource allocations that the House made on H.R. 1561 but which were attacked, I believe unfairly, on the House floor when we had that bill under consideration.

I may have a few minor differences with provisions in this bill, Mr. Chairman, but I do believe that this is an excellent bill on the whole. Mr. Chairman, this bill would also not be possible without the work of the subcommittee's able staff. I especially want to thank Bill Inglee, John Shank, Charlie Flickner, Nancy Tippins, and Lori Maes for their work and cooperation on this important piece of legislation.

I also want to commend the gentleman from Illinois [Mr. PORTER] and his language with relation to Turkey. Turkey must understand that it must solve the problem of Cyprus and improve human rights with the Kurds to improve its relations with the United States.

Accordingly, Mr. Chairman, I strongly urge my colleagues to fully support this bill.

Mr. WILSON. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. CALLAHAN. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. KNOLLENBERG], a member of our subcommittee, and invaluable with respect to his input.

Mr. KNOLLENBERG. Mr. Chairman, I thank the gentleman for yielding me this time and want to salute the gentleman from Alabama, Chairman CALLAHAN, for the flare in which he works with Members on both sides. I want to also extend a thank you to the ranking member, the gentleman from Texas [Mr. WILSON], who I believe has done yeomen's work, and we will miss him as this summer moves along but wish him good luck in his next voyage.

Mr. Chairman, I rise to express my strong support for this bill which reflects the Foreign Operations Subcommittee's careful crafting and compromise in a time of continued reductions in the funding available for foreign assistance. It deserves our support. H.R. 3540 recognizes the fiscal situation we face and reduces the amount of money we spend overseas. But H.R. 3540 maintains our role as a leader throughout the world.

This bill makes serious cuts that reflect careful consideration and the review of every foreign assistance program. We have eliminated and reduced funding to those programs that have failed to justify our support.

I strongly believe that foreign aid is a crucial component of our foreign policy. The United States has a direct interest in promoting the expansion of capitalism and democracy throughout the world. Accordingly, I feel it is beneficial to American interests to aid countries which have shown a commitment to the ideals of free enterprise and individual freedom.

When we consider the fast paced changes taking place in countries across the globe from Israel to India to Russia it is clear that America must not insulate itself from the international community.

Yet, we will destroy our ability to assist other countries and provide for our national security if we have to continually spend greater and greater portions of our budget on interest on the national debt. We must balance the budget. That means we must reduce spending. I am very committed to reducing the deficit, lowering taxes, and empowering individuals and business by reducing the size and scope of our Federal Government. We must work toward these goals as the world's only superpower and the sole proprietor of democracy.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. KNOLLENBERG. I only have a certain amount of time, but I will be glad to yield to the gentleman.

Mr. WILSON. Mr. Chairman, I just wanted to ask the gentleman if he agrees with me that if all the other subcommittees had made the same contribution to balancing the budget that this subcommittee has made, we would have a balanced budget?

Mr. KNOLLENBERG. Amen.

And I concur very strongly with the ranking member, but we have not eliminated, and I think this is very important, we have not eliminated, by any means, our ability to participate in the world.

Foreign aid, which makes up less than 1 percent of our Federal budget, as the gentleman from Wisconsin pointed out, is a good investment and has benefited our interests around the globe by furthering the development of economic and political stability in the international community.

H.R. 3540 allows us to continue to remain active in world events while keeping us on a path to a balanced budget. I support this bill and urge my colleagues to do likewise.

Mr. CALLAHAN. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. PACKARD] who is also a member of our subcommittee and a very valuable member of our subcommittee.

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

Mr. PACKARD. Mr. Chairman, I rise in support of the foreign operations, export financing, and related programs appropriations bill for fiscal year 1997. I want to commend Chairman CALLAHAN and ranking member CHARLIE WILSON for crafting a fair and bipartisan bill that, again, contains no earmarks.

I particularly want to recognize the gentleman from Texas, CHARLIE WILSON, who will be leaving Congress this year. CHARLIE, it has been a pleasure working with you and you will be missed.

This bill continues Congress on its glidepath toward a balanced budget by cutting approximately $1 billion from the President's request and almost $500 million from last year's enacted levels. These funding reductions are a continuation of the reorganization of our foreign aid priorities. It is a tribute to Chairman CALLAHAN and his very capable staff that two very important provisions of this bill remain virtually untouched. I am speaking of our contributions to the Camp David accords and the child survival and disease programs account.

In addition, this bill supports American jobs by providing funding to vital U.S. export assistance programs such as the Export-Import Bank, the Overseas Development Corp., and the Trade and Development Agency. These agencies assist U.S. businesses both large and small to advance U.S. interests and expand our export markets.

Finally, this bill strikes a balance on family planning funding that is fair to both sides. It allows half of the funds designated for these activities to be released to any organization who applies. The language then allows the rest of the funds to be released to those organizations who agree to the Mexico City language. This is as evenhanded as it gets.

In closing, Mr. Chairman, let me, once again, pay tribute to Chairman CALLAHAN and his staff for their hard work on this well-balanced bill. I urge my colleagues to support it.

Mr. CALLAHAN. Mr. Chairman, I reserve the balance of my time.

Mr. WILSON. Mr. Chairman, in the absence of any other speakers, I yield back the balance of my time.

Mr. CALLAHAN. Mr. Chairman, in just a moment I will yield back the balance of my time, but let me just comment that this bill reduces the President's request by $1 billion. I know there are some in this House and in the administration who would like to have more money, but we are having to sacrifice in every area of government and I do not think requesting another $1 billion cut from the President's request is unreasonable at all.

The gentleman from Texas, Congressman WILSON, is right; if every subcommittee on appropriations was reducing in real dollars the amount of money and the percentage of moneys we are reducing in this bill and the bill last year, then we would be much more advanced toward a balanced budget. This is the lowest foreign operation bill in more than 15 years.

Mr. Chairman, I know there will be some who come and try to amend this bill upward, trying to give the administration more dollars, and I am going to strenuously object to any effort to increase the amount of this appropriation bill, which, incidentally, Mr. Chairman, is now less than 1 percent of our overall budget. A lot of people in this country are of the impression that we are appropriating a higher percentage of our dollars to foreign operations, but his year, if this bill becomes law, it will be less than 1 percent of our overall budget, and that 1 percent concentrates on things that the American people support.

The American people do not like us to give money, government to government, Mr. Chairman, but when they see starving children they want those children fed. When they see children dying of polio, when they see children dying of diseases, they want to participate in that type of program. We concentrate on that type of activity in this bill. We are not going to turn out back on starving children or sick children. We are going to educate these children where we possibly can, with the limited amount of moneys that we have. We are a compassionate nation, but we are also a nation in a fiscal crisis, and the only money we have available is this $11.9 billion, which, as we understand, is $1 billion under the President's request.

Mr. Chairman, before I close this part of the program, I too want to join my colleagues in praising the gentleman from Texas, CHARLIE WILSON, who has served as the ranking Democrat on this subcommittee since I assumed the chairmanship. He will be receiving a lot of accolades during the next few weeks as he retires from Congress, and I want to tell him it has been a true pleasure to work with him.

Handling the foreign operations bill is not something that many Members cherish. It is a difficult, complicated measure when we think of the hundreds of countries in this world that are seeking the support of the United States of America and the complexity of the governments and the working relationship between our Government and their government. It is a complicated process and certainly CHARLIE WILSON knows more than anyone else in the House about this complex world of ours and its needs. His contributions to me, both personally and professionally, have been something that I will always cherish.

So Mr. Chairman, as he moves on to this next stage of his life, I want the gentleman to know that someday we will meet on the shuffle board court in Phoenix, AZ, or some retirement city, and we will be out there talking about the great things that we did. But the people of the United States will never forget the contributions that he as an individual Member of this Congress has made toward making this world a better place and making our position in this world well understood by foreign countries.

□ 1200

It is not the end of our close relationship, I am sure. It is just the end of a distinguished tenure in this Congress, and I appreciate, on behalf of the American people, the contributions you have made.

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

Mr. HASTERT. Mr. Chairman, I rise today in support of the amendment offered by my good friend from Illinois, Mr. MANZULLO, that reduces the fiscal year 1997 foreign operations appropriation for the Export-Import Bank administrative expenses by $3.1 million. I support this

amendment because it mirrors the Appropriations' National Security Subcommittee's recommendation of reducing the Eximbank's subsidy appropriation by 2.5 percent. It makes no sense to me to increase funds for staffing at the same time that we are reducing the workload of the bank.

The purpose of the Eximbank is to expand U.S. exports by assisting American firms. And yet, I question the success of the bank in fulfilling this mandate under the current administration. Most recently, the Clinton administration pressured the Eximbank to refuse assistance to U.S. exporters, while at the same time supporting most-favored-nation trade status for Chinese business. I'm at a loss to see how this helps American businesses.

One case in particular is the Eximbank's announcement of May 30 to deny trade credits to American companies attempting to participate in China's Three Gorges Dam project. This decision stands in the way of job opportunities and income for American workers, and potentially, it damages our relationship with China.

The Clinton administration has portrayed the Three Gorges Dam project as disastrous to the environment, and detrimental to human rights. However, there are no facts to backup this charge. In fact, the main purpose of the project is to control the disastrous consequences to China's environment and prevent the massive loss of life and property caused by flooding along the Yangtze River. In 1994 alone, flooding along the Yangtze killed nearly 1,200 people and wiped out 2.7 million acres of farmland. Building the dam will end the need of moving millions of people each time there is a major flood on the Yangtze River.

The Three Gorges Dam is also desperately needed to enable China to keep up with it's exponentially growing energy requirements. It will produce 18,200 megawatts of clean hydropower, displacing the need for 50,000 tons of low sulphur coal or ten nuclear, power plants. The project will help clean up the air in China, decrease the global greenhouse effect and lower nuclear waste disposal problems. Moreover, the dam will not submerge the scenic Three Gorges—water levels will rise 318 feet but the mountains in the area rise between 2,600 and 3,600 feet high.

It makes no sense to prevent the creation of thousands of jobs for taxpaying American citizens by denying a loan that, in the end, would be paid back with interest by a foreign country.

Without a doubt, this project will spread prosperity and development into a new interior region of China, providing new opportunities for American firms. Establishing business relationships now through the Three Gorges Dam project would further position American firms to win new business in China for years to come. As Congressman MANZULLO has cited, $1 billion in U.S. exports and 19,000 Americans jobs are at stake.

I have often heard the argument that there is nothing stopping these companies from competing for contracts without this assistance. That's technically true, but what then is the purpose of the Eximbank if not to help U.S. companies secure the winning bids? This recent decision puts American companies at a disadvantage with their foreign competitors who will most likely receive favorable financing from their government finance agencies. Germany, Japan, Russia, and Canada are already contracting for the project through their consortiums.

The administration has supported renewing most-favored-nation trade status for China at the same time it attacks this project. This project, without a doubt, means jobs for Illinois and other states across this country. The shortsighted decision is flawed and detrimental not only to the long-range environmental and human rights concerns of China, but also the competitive, responsible companies that America is offering to the world. Our companies practice high labor and environmental standards. Only the United States has the capacity to bring the kind of technical knowledge to the project that may mitigate many of the concerns raised by its critics.

Until I see signs that the Eximbank is fulfilling its mandate, I can not support increasing funding for its administrative expenses.

Mr. CASTLE. Mr. Chairman, I chair the Domestic and International Monetary Policy Subcommittee of the House Banking and Financial Services Committee, which is the authorizing committee for U.S. participation in the multilateral development banks. In this era of limited budgets, it is absolutely imperative that every taxpayer dollar be spent in the most cost-effective manner possible. I submit that with multilateral development we multiply each contributed dollar fivefold or sixfold for optimal leverage of our resources. Therefore, I would like to share with my colleagues the action the authorizing subcommittee took on the multilateral funding levels requested by the administration.

As we noted when the administration presented its request to my subcommittee, we should acknowledge the substantial progress already made in reforming the International Financial Institutions [IFI's]. The best way to do this and encourage the process is by paying the United States arrears on commitments to the 10th capital replenishment of the International Development Association [IDA] made by previous administrations.

It is most difficult to continue to assert a position of leadership in the various IFI's and yet owe a total of $1.56 billion in overdue obligations to them. This undermines our moral and practical influence over these institutions, and even though we still spend a very large sum of money each year, the expenditure produces little domestic or international good will.

National self-interest argues that we continue to stay engaged in the multilateral development process. Our success in leveraging funds for developing countries, encouraging free market economies, private sector development and creating new high-growth markets for U.S. companies would be undermined if opted out. For these reasons, the subcommittee included the entire $550 million requested to finish authorizing payment of the accumulated arrears of $935 million for our commitments to the IDA.

This bill appropriates $525 million to fund IDA, leaving a balance of $410 million still owed on previous commitments. I hope that we can retire these arrears as quickly as possible, although I fully accept that resources are limited for this year's foreign operations account. Failure to retire these previous commitments inevitably delays the program for the 11th capital replenishment of IDA. This, in turn, may result in another year of interim special funding that excludes U.S. companies from bidding on a portion of the projects funded under such interim arrangement.

We authorized no appropriations for any U.S. contribution to the interest subsidy account of the successor [ESAF II] to the enhanced structural adjustment facility of the international monetary fund because this account is fully funded through fiscal year 1997.

The administration requested both consent to and appropriations for the fifth replenishment of the resources of the African Development Bank [AfDB], at an undetermined level due to continuing, unfinished negotiations. We authorized a 2-year capital increase of $32 million for the AfDB that was conditioned on a successful conclusion to current negotiations to reorganize effective control of this bank away from the borrowers to the lending countries. If these negotiations are successful and sound reforms are in place, we would hope to authorize U.S. participation in the fifth replenishment next year.

In response to the administration's request, full U.S. participation in the new Middle East Development Bank was authorized for 2 years, with $105 million to be appropriated over that period. Even though there are no funds for this project in this year's appropriations bill, the concept of former enemies coming together to plan and finance joint development of their region remains a good idea.

The House Subcommittee reduced the administration's fiscal year 1997 request by $335 million.

In conclusion, Mr. Chairman, having stated my reservations and the rationale for them, I support the bill as passed by the Appropriations Committee, and urge my colleagues to vote for its passage.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise to express my concern over H.R. 3540, the foreign operations appropriations bill, because it fails to include language directing the U.S. Government to monitor human rights progress in Ethiopia as it obligates appropriations for Ethiopia in fiscal year 1997.

During the debate last year on the foreign operations appropriations bill for fiscal year 1996, I offered an amendment that included language to monitor human rights progress in Ethiopia. My amendment was adopted by the House. Unfortunately, my amendment was not included in the conference report on such bill but my colleagues assured me of their deep concern about human rights violations in Ethiopia.

While Ethiopia has made some progress in human rights since the new government assumed power, there are still too many instances of human rights violations throughout the country. Individuals opposed to the current government, particularly journalists, academicians, and opposition party officials have faced ordeals that raise questions about academic freedom, freedom of the press, freedom of speech, and the independence of the judiciary. Many Ethiopians are facing trials for alleged offenses against the government and we must work to ensure that they receive a fair and impartial hearing. Other citizens are being harassed as they attempt to express their views on the critical issues facing the country.

Ethiopia has a distinguished history and has always been a shining example for the rest of Africa. The country has a bright future. As a superpower, the United States has an obligation to foster democracy and human rights around the world. We must engage Ethiopia's

ruling government to improve their human rights record. The United States State Department and organizations such as Amnesty International have chronicled the problems confronting Ethiopia in this regard. Over the past year, I have periodically communicated with State department officials to carefully assess the situation in the country and strongly encouraged the department to expand its efforts to improve human rights in Ethiopia.

The Congress of the United States should be on record supporting human rights progress in Ethiopia and I encourage my colleagues to continue to support the inclusion of human rights as an integral element of our foreign policy. I will continue to voice my strong support for human rights in Ethiopia and work with our Government in advancing this important cause.

Mr. BILIRAKIS. Mr. Chairman, I rise in support of this amendment which limits the amount of economic support funding for Turkey to $22 million until the Turkish Government acknowledges the Armenian genocide.

As my colleagues know, this April marked the 81st anniversary of the Armenian genocide. The great Armenian massacre, which took place between 1915 to 1916, shocked public opinion in the United States and Western Europe.

As Henry Morgenthau, Sr., the former U.S. Ambassador to the Ottoman Empire, stated ''I am confident that the whole history of the human race contains no such horrible episode as this. The great massacres and persecutions of the past seem almost insignificant when compared to the sufferings of the Armenian race in 1915.''

Last year, Members of Congress from both Houses in a bipartisan initiative called upon the President to reaffirm the Armenian genocide as a crime against humanity. While I appreciated the fact that a statement was issued by the White House, many of my colleagues and I were disappointed that the President did not use the word ''genocide'' to describe the systematic annihilation of one and one-half million Armenians.

In fact, earlier this year, I joined many of my colleagues in sending a letter to President Clinton expressing disappointment in the fact that he used the word ''massacres'' rather than the word ''genocide'' to describe this terrible tragedy.

We must also send the same message to Turkey. Turkey must take steps to acknowledge and honor the memory of the victims of the Armenian genocide.

I am proud to have cosponsored H. Con. Res. 47, which enjoys the bipartisan support of 178 Members and honors the memory of the victims of the Armenian genocide.

In closing, I urge my colleagues to support this amendment. The survivors of the genocide and their descendants have made great contributions to every country in which they have settled—including the United States, where Armenians have made their mark in business, the professions, and our cultural life.

The time has come for Turkey to acknowledge the injustice that took place. For it is only through acknowledging it that we hold out hope for the future that no such event will occur again.

Mr. KIM. Mr. Chairman, I rise in strong opposition to the Obey-Frank amendment to prohibit the use of International Military Education and Training Funds for Indonesia. It appears to be that this amendment is designed only to insult Indonesia and would have only negative effects on U.S.-Indonesian relations. Furthermore, if enacted, I believe this amendment would actually hinder the kind of changes and increased respect for human rights its proponents claim to seek.

First, let's be clear on what IMET is. IMET is not guns and ammunition. It's not even combat training. The IMET program sponsors up and coming Indonesian military officers to come to the U.S. to receive either technical training—like accounting—or professional education including military justice and human rights awareness. Thus, IMET participants are exposed to the very issues about which the sponsors of the Obey-Frank amendment are most concerned. How better to ensure that the Indonesian military enhances its professionalism and sensitivity to the human rights concerns we've identified than to include this in their training? Especially when the Indonesian military wants this training? They are seeking our help. If the sponsors of this amendment listen to their own words, then they would see that we ought to continue to provide this training.

Second, IMET also plays an important role in improving U.S.-Indonesian security ties. Indonesia occupies a very central and strategic position in Southeast Asia. Indonesia is a key member of ASEAN and a moderate leader of the non-aligned movement. It is the world's largest Moslem country. Indonesia is very supportive of the United States presence in Southeast Asia and provides us with places in lieu of bases. The modest support the Indonesian military receives from IMET goes a long way in solidifying this relationship. It also provides our own military with exposure to senior and mid-level Indonesian military officers with all of the associated benefits such relations provide.

Third, with 190 million people, Indonesia is a growing market for American goods and services. Last year alone, the U.S. exported $3.3 billion, an increase of over 20 percent from last year. Indonesia is the host to over $6 billion in United States investments. Whether we like it or not, IMET has, in part, come to represent a bellwether of United States engagement with Indonesia. It has become a symbol of United States attitude toward Indonesia. Therefore, to prohibit IMET will be seen by Indonesians—all Indonesian, not just the Suharto Government—as a slap. Unlike most of my colleagues, as a first generation Asian-American, I have a pretty good understanding of how East Asians think. And, I can assure every one of you, this will be interpreted as a direct insult against the Indonesian nation as a whole.

Such an insult will have a direct and negative affect on all aspects of our relationship, including economic ties. At risk are jobs and incomes of Americans right here at home. The only ones really cheering for the misguided symbolism of the Obey-Frank amendment are our Asian and European competitors.

Finally, I am sensitive to the situation in East Timor. Unfortunately, the history as well as the future of East Timor is not as simple and black and white as proponents of this amendment claim. Progress is being made with regard to East Timor, though I agree that more is needed. However, cutting IMET will have no positive effect on East Timor. The Obey-Frank amendment is merely pandering to one special interest in East Timor at great expense overall U.S. interests in the region. In fact, as I pointed out, prohibiting of IMET could actually setback the process of improving human rights.

Therefore, I urge my colleagues to vote for America's best interests and reject this misguided amendment.

Mr. TORRES. Mr. Chairman, I rise today in support of H.R. 3540, the fiscal year 1997 foreign operations appropriations bill as reported out of the full Appropriations Committee. I want to commend Chairman CALLAHAN and the distinguished ranking member, Mr. WILSON, for their diligent work in crafting this year's foreign assistance package. However, I must note that the bill falls short in meeting certain critical funding needs, particularly in providing adequate assistance to the Latin and Central American region.

United States assistance for emerging democracies of Latin and Central America is severely threatened by continuing reductions in development assistance. The relatively modest sums directed towards sustainable development in Latin America are a worthwhile long-term investment in the economic and political stability of our closest neighbors. Such an investment can pay off in avoiding natural disasters, economic crises, and military conflicts, which bring with them a much higher cost in economic and human terms. Additionally, the United States has made certain commitments to the region, such as contributions to consolidating peace in Central American nations, which should be honored.

Furthermore, funds for granting relief for countries that hold U.S debt is a way to help them become more self-sufficient as aid flows diminish or end. As this bill continues through the legislative process, I would hope we could do more or increase the amount allocated for debt restricting for the poorest countries and debt buybacks.

The Fund for Special Operations [FSO], the concessional lending arm of the Inter-American Development bank, extends loans—not grants—to the poorest countries in Latin America and their Caribbean for programs designed to alleviate poverty. FSO programs benefit those most in need, especially women and children and microentrepreneurs who have little access to credit through regular financial sources. As bilateral aid to Central American and Caribbean countries is being dramatically reduced, the U.S. contribution to the Fund for Special Operations is an effective investment in the development of our poorest neighbors in the Western Hemisphere. While this bill has reduced the administration request for the FSO from $31 million to $10 million, I believe this small U.S. contribution is critical in leveraging significant funds fund other donor nations around the world and hope that we can find a means to increase this amount.

I also want to note that the bill includes a 10-percent cut in funding for the U.S. contribution to the North American Development Bank. The House Report attributes this cut to the slow start-up of the Bank's Community Adjustment and Investment Program, also known as the ''Domestic Window''. Ten percent of the NADBank's capital is allocated for the Domestic Window, which is designed to address trade dislocation issues by assisting communities and businesses throughout the United States. This assistance will be administered through other Federal lending programs and

through the direct lending program of the NADBank's Community Adjustment and Investment Program. However, I would point out that the money is not segregated, therefore, a 10-percent cut directed at the domestic window of the NADBank, is a cut to the overall NADBank funds for border-area projects. While the Bank's Domestic Window may not have been established as quickly as we had hoped, it is now open and lending criteria are in place. The fiscal year 1997 tranche of NADBank capital is critical for the Bank to realize its potential to clean up the border region and address the domestic needs of displaced workers and businesses.

Additionally, I would like to state for the record that even though we are approving counternarcotics assistance in principle to the Governments of Colombia and of Peru, the administration should not interpret this as an unconditional approval of military assistance to those countries and should carefully consult with us before requesting the release of any such assistance.

We all know that in Colombia political killings and disappearances continue at crisis levels while in Peru, thousands languish in that country's jails after blatantly unfair trials. In both countries, due process is flagrantly violated. An amnesty law in Peru has made impunity state policy, while in Colombia impunity is also the norm. We all know that human rights in both countries is under attack. But we approve counternarcotics assistance as a gesture of good faith to the administration with the caveat that serious human rights problems remain.

It is important to highlight that neither the Governments of Peru nor of Colombia will receive any assistance through the foreign military financing account, but both will receive assistance through the counternarcotics account. I want to inform the public as well as my colleagues that this counternarcotics item could lead to an administration request of military transfers to those countries' military units.

I must state for the record that I will use my office to ensure that neither the Colombian Army nor the Peruvian Army as well as Navy will receive any United States assistance. For this, I would like to thank the Chair for his consideration in ensuring that a notification requirement is kept for both countries. Furthermore, when we are duly notified, I will also ensure that if other branches of those countries' militaries are involved in violations, they do not receive a single tax dollar in assistance. This is a responsibility we have to the people in those countries and to our taxpayers as well.

Mr. BEILENSON. Mr. Chairman, I rise in strong opposition to the Foreign Operations Appropriations Act for fiscal year 1997.

What is at stake in this bill is nothing less than the future of America's leadership in the world. We all ought to be extremely concerned about the disastrous effects the low level of spending in this bill will have on U.S. influence abroad, on our ability to protect our national interests, and on the lives of hundreds of millions of people in the developing world.

In fact, when we consider the role of American leadership in the world today, and the need to protect our own interests and security in the international arena this bill is frankly an embarrassment.

One of the great myths among Americans is that the Federal Government spends a significant portion of its budget on foreign aid. Indeed, in a University of Maryland study conducted not too long ago, three of four Americans said they believe the United States spends too much on foreign aid. But when asked how much they thought the Nation spends, the median response was 15 percent of the federal budget; and when respondents were asked how much the United States should spend on foreign aid, the median response was 5 percent, with most agreeing that 3 percent would be too little.

As we all know, U.S. foreign aid actually accounts for about three-fourths of 1 percent of the Federal budget. As a percentage of our gross national product [GNP], the United States is now the lowest aid contributor of the world's top 21 industrialized nations.

For a tiny fraction of what we spend on defense, the prudent use of foreign aid helps us meet escalating threats to our national and global security, including chronic poverty, rapid population growth, environmental degradation and forced migration. The long-term effect of the cuts in this bill will be a substantial reduction in the President's ability to conduct foreign policy, leaving only the military option in some circumstances. And for this extreme cost, these cuts in foreign aid will reduce overall federal spending by only a token amount.

Many people do not realize how much our modest investment in foreign assistance programs benefit U.S. businesses and citizens. When the Marshall plan was announced in 1947, only 18 percent of Americans supported that effort to rebuilt Europe. But U.S. assistance helped to establish social and political stability, and created some of our best trading partners.

In the 1960's and 1970's, many criticized United States assistance to countries such as South Korea, Taiwan, Mexico, and India. But once again, U.S. assistance ushered in a period of unprecedented growth. With United States help, India has seen dramatic increases in agricultural production and, as a consequence of our foreign aid, a politically stable India offers a promising market of 900 million people for United States goods.

The fastest growing segment of the U.S. export market is in trade with developing countries. Today, developing countries import almost 40 percent of U.S. exports, accounting for 2 million American jobs. In the past decade alone, exports to developing countries have more than doubled from $71 to $180 billion. The United States is today exporting products and services to many of the nations the United States assisted in the 1960's and 1970's. More than 24 countries since that time have moved from foreign-aid recipient to trading partner. Africa now comprises a faster growing share of the U.S. market than Europe.

Foreign aid has also dramatically improved the lives of hundreds of millions of people and reduced the risk of, and the occurrence of, humanitarian crises.

Since 1960, development assistance has helped reduce infant mortality rates in developing countries by 50 percent, increase life expectancy from 46 to 63 years, and increase primary school enrollment from 48 to 78 percent.

Foreign aid has resulted in important breakthroughs in agriculture; investments made by the United States in better seeds and agriculture techniques has helped make it possible to feed an extra billion people in the developing world.

More than 50 million couples in the developing world use family planning as a direct result of U.S. assistance for overseas family planning services; over the past 35 years, the average number of children per family in the world has been reduced by one third—from six children to four.

U.S. aid is largely credited with fully immunizing 80 percent of all children in developing countries, eradicating smallpox worldwide and virtually eliminating polio in the Western hemisphere.

And, since 1980—in just the past 15 years—U.S. foreign assistance has helped three dozen nations make the transition to democratic government.

The spending reductions that this bill continues from last year threaten to reverse these positive trends, especially as the number of poor around the world, an estimated 1.3 billion people, continues to soar.

One of the most drastic program cuts in this bill, which many of us are deeply concerned about, is the continued 35 percent cut in funding for family planning assistance, along with restrictions that will affect some of the most effective family planning organizations. The United States has historically been the principal supporter of international family planning assistance. Our continuing contribution is vital to the effort to slow the world's rapid population growth, which underlies virtually every developmental, environmental, and national security problems facing the world today.

Global population is now 5.7 billion people, and it is growing by almost 100 million every year—by 260,000 every 24 hours. Future prospects, moreover, are even more staggering. If effective action is not taken in the next few years—as today's 1.6 billion children in the developing world under the age of fifteen reach their childbearing years—the Earth's population could nearly quadruple to 20 billion people by the end of the next century.

In much of the developing world, high birth rates, caused largely by the lack of access of women to basic reproductive health services and information, are contributing to intractable poverty, malnutrition, widespread unemployment, urban overcrowding, and the rapid spread of disease. Population growth is outstripping the capacity of many nations to make even modest gains in economic development, leading to political instability and negating other U.S. development efforts.

The impact of exponential population growth, combined with unsustainable patterns of consumption, is also evident in mounting signs of stress on the world's environment. Under conditions of rapid population growth, renewable resources are being used faster than they can be replaced. Other environmental consequences of the world's burgeoning population are tropical deforestation, erosion of arable land and watersheds, extinction of plant and animal species, and pollution of air, water, and land.

For almost 30 years, population assistance has been a central component of U.S. development assistance. While much more remains to be done, population assistance has had a significant positive impact on the health of women and their children and on society as a whole in most countries. In many parts of Asia, Latin America, and Africa, fertility rates have decreased, often dramatically. Couples are succeeding in having the smaller families they want because of the greater availability of

contraceptives that our assistance has made possible.

Today, approximately 55 percent of couples worldwide use modern methods of contraception, compared with 10 percent in the 1960's Despite this impressive increase in contraceptive use, however, an estimated 125 million couples lack access to family planning services. And, the demand for these services is increasing, largely because populations are growing. Indeed, over the next 20 years, the number of women and men who wish to use contraception will almost double.

Similarly, population assistance has contributed to the significant progress that has been made in reducing infant and child mortality rates. Child survival is integrally linked to women's reproductive health, and specifically to a mother's timing, spacing and number of births. Despite substantial progress, a large proportion of children in the developing world—particularly in sub-Saharan Africa and some Asian countries—still die in infancy.

And, while many countries in the developing world have succeeded in reducing maternal mortality rates, the incidence of maternal death and disability remains unacceptably high, constituting a serious public health problem facing most developing countries. According to the World Health Organization, an estimated 500,000 women die every year as a result of pregnancy and childbirth.

U.S. population assistance is preventive medicine on an international scale. Congress has long recognized this to be the case and over the years has reaffirmed the importance of population assistance in securing U.S. interests abroad. By addressing the basic health and educational needs of women and their families, population assistance provides building blocks for strong democratic government and sets the stage for economic growth. Furthermore, it helps prevent social and political crises, thereby averting the need for costly relief efforts.

At the International Conference on Population and Development [ICPD], held in Cairo in 1994, the Untied States was instrumental in building a broad consensus behind a comprehensive Program of Action, which was signed by almost all of the 180 countries that participated in the conference, and which is intended to help guide the population and development programs of the United Nations and national governments into the next century. Central to this plan is the recognition that with adequate funding this decade for family planning and reproductive health services, as well as educational, economic, and social opportunities necessary to enhance the status of women, we can stabilize world population in the first half of the next century.

This bill, however, effectively abandons the goals of the ICPD and the international community, as well as our Nation's own historical position—supported by many Republican and Democratic administrations and congresses—that population assistance is one of the most cost effective and important uses of our foreign aid dollars.

The Appropriations Committee has, unfortunately, followed the unwise course it began last year when funding for family planning assistance was cut drastically. This year's bill, which would allow no more than $356 million to be spent for this purpose, would have devastating consequences for developing countries. The Agency for International Development estimates that the limit on family planning assistance in this bill could result in 7 million couples in developing nations who would have used modern contraceptive methods left without access to those methods. That would cause 4 million more women to experience unintended pregnancies and, as a result, there would be: 1.9 more unplanned births; 8,000 more women dying in pregnancy and childbirth; 134,000 more infant deaths; and 1.6 million more abortions.

That last statistic—1.6 million more abortons—is particularly important to note, since Members may be under the impression that this bill would reduce the incidence of abortion by providing funding on favorable terms to family planning organizations that abide by the so-called Mexico City policy. Nothing could be further from the truth.

The fact is, U.S. funds do not pay for abortions. For over 20 years, under the Helms amendment to the Foreign Assistance Act, Federal law has prohibited any U.S. funds from being used for abortions, or to promote abortion. There is no reason whatsoever to differentiate between organizations that do or do not abide by the Mexico City policy.

In closing, Mr. Chairman, I want to urge strong support for the amendment that the gentleman from Colorado [Mr. SKAGGS] will be offering to strike the provision in the bill that caps family planning assistance at 65 percent of the 1995 level, $365 million, so that the Agency for International Development could apply more of its appropriated funds for the very vital and urgent purpose of providing family planning assistance.

But I urge Members to vote against final passage as a way of expressing opposition to the unwise, counterproductive, and destructive cuts in foreign assistance contained in this bill. These programs work, and providing adequate funding for them will reduce human suffering, promote global peace and security, and save many times the expense in future U.S. foreign assistance.

Mr. BONILLA. Mr. Chairman, I rise today in support of the foreign operations appropriations bill. The committee is like the tireless work horse who moves forward despite the weight of its load. yet, unlike the work horse, the members of this committee do not wear blinders. This bill is fiscally responsible, and it preserves and protects the long term interests of this country. It marks the beginning of the important task of the restructuring of foreign aid.

Our world has changed significantly in the last decade, and it will continue to change. The fall of communism in Eastern Europe and Russia, the rising powers in Asia, the torrent of terrorist activities. The list of challenges for America is significant. The answers may be different, but the goal remains the same. We are working toward preserving our independence, and promoting our national security.

At the same time, we have to try to spend less in our foreign efforts. This does not mean that we are ignoring our duties. It does mean that we should cut back on wasteful spending that does not achieve our goals. This bill accomplishes the long awaited consolidation of similar, repetitive programs. It reduces foreign aid spending by $458 million from fiscal year 1996.

Reductions in spending have been made possible by the consolidation of funding that was doled out in the past to many different programs which seek to achieve similar goals. Appropriations are thus targeted to specific areas of concern more effectively and efficiently. It is an attempt to cut down the proverbial forest of redtape and bureaucracy that have become all too familiar. After all, even the workhorse has trouble plodding through an endless maze of dead ends.

The aim is to achieve our goals in a direct manner, with less reliance on international organizations where we can't control the way our own money is used; the way the tax dollars of the American people are used. It is clear that this bill allows the United States to maintain a steady course as the eminent global leader. The empathy of the American people is as clear in our humanitarian efforts, as their practicality and common-sense is in our appropriations. This bill is one that protects our sovereignty, and works toward our goal of American security. I support this bill wholeheartedly, and urge my colleagues to vote in favor of it.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered under the 5-minute rule by titles, and each title shall be considered read.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote of any amendment and may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

After the reading of the final lines of the bill, a motion that the Committee of the Whole rise and report the bill to the House with such amendments as may have been adopted shall, if offered by the majority leader or a designee, have precedence over a motion to amend.

The Clerk will designate title I.

The text of title I is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1997, and for other purposes, namely:

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal

year for such corporation: *Provided,* That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-weapon State as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of enactment of this Act.

SUBSIDY APPROPRIATION

For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, $726,000,000 to remain available until September 30, 1998: *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further,* That such sums shall remain available until 2012 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 1997 and 1998: *Provided further,* That up to $50,000,000 of funds appropriated by this paragraph shall remain available until expended and may be used for tied-aid grant purposes: *Provided further,* That none of the funds appropriated by this paragraph may be used for tied-aid credits or grants except through the regular notification procedures of the Committees on Appropriations: *Provided further,* That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export-Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State, or any agency or national thereof.

ADMINISTRATIVE EXPENSES

For administrative expenses to carry out the direct and guaranteed loan and insurance programs (to be computed on an accrual basis), including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $20,000 for official reception and representation expenses for members of the Board of Directors, $47,614,000: *Provided,* That necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Export-Import Bank, repossession or sale of pledged collateral or other assets acquired by the Export-Import Bank in satisfaction of moneys owed the Export-Import Bank, or the investigation or appraisal of any property, or the evaluation of the legal or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, shall be considered nonadministrative expenses for the purposes of this heading: *Provided further,* That, notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992, subsection (a) thereof shall remain in effect until October 1, 1997.

OVERSEAS PRIVATE INVESTMENT CORPORATION NONCREDIT ACCOUNT

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: *Provided,* That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed $35,000) shall not exceed $30,000,000: *Provided further,* That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading.

PROGRAM ACCOUNT

For the cost of direct and guaranteed loans, $72,000,000, as authorized by section 234 of the Foreign Assistance Act of 1961: *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further,* That such sums shall be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years 1997 and 1998: *Provided further,* That such sums shall remain available through fiscal year 2005 for the disbursement of direct and guaranteed loans obligated in fiscal year 1997, and through fiscal year 2006 for the disbursement of direct and guaranteed loans obligated in fiscal year 1998. In addition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account.

FUNDS APPROPRIATED TO THE PRESIDENT

TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, $38,000,000, to remain available for obligation until September 30, 1998: *Provided,* That the Trade and Development Agency may receive reimbursements from corporations and other entities for the costs of grants for feasibility studies and other project planning services, to be deposited as an offsetting collection to this account and to be available for obligation until September 30, 1998, for necessary expenses under this paragraph: *Provided further,* That such reimbursements shall not cover, or be allocated against, direct or indirect administrative costs of the agency.

The CHAIRMAN. Are there amendments to title I?

AMENDMENT OFFERED BY MR. LIGHTFOOT

Mr. LIGHTFOOT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. LIGHTFOOT: Page 2, line 25, after the dollar amount, insert the following: ''(increased by $64,000,000)''.

Page 7, line 22, after the dollar amount, insert the following: ''(reduced by $60,000,000)''.

Page 13, line 11, after the dollar amount, insert the following: ''(reduced by $4,000,000)''.

Mr. LIGHTFOOT. Mr. Chairman, let me begin by first commending the gentleman from Alabama [Mr. CALLAHAN] and the gentleman from Texas [Mr. WILSON] for presenting the House with, on balance, another fine bill. The bill continues the downward trend in foreign aid by reducing this bill some $450 million below last year's appropriated level. Others talk deficit reduction, these gentleman, like their predecessors, Mr. OBEY and Mr. LIVINGSTON, deliver real spending reductions. We owe them a lot for that.

Before I explain my amendment, let me also join my colleagues in expressing appreciation to the gentleman from Texas [Mr. WILSON] for his years of service in this House. Whether CHARLIE is riding a camel with bandoleers of ammo over him in some country that 95 percent of us cannot pronounce or whether he is up in the full committee working through, he has made an excellent, positive contribution to this House and to this country. CHARLIE, we are going to miss you.

The House simply will be not be the same without you.

I offer this amendment because I am very concerned about the proposed funding level for the Export-Import Bank of the United States. In less than a year we have reduced Eximbank funding from $786 million, to $744.5 million through recision, to $726 million in this bill. I think this sends a terrible signal to our exporters and a worse signal to foreign governments.

Frankly, I would not support the existence of the Eximbank if world markets were truly free and open. But the fact of the matter is that foreign governments, as a matter of national policy, subsidize their businesses entry into new markets. This foreign activity is costing us business and jobs.

Our late Secretary of Commerce, Ron Brown, noted in the ''National Export Strategy'' that political and economic pressure brought to bear by other governments has already cost U.S. exports almost $25 billion in lost contracts.

And the world's not waiting for us. Already, over half of our exports of capital goods go to the developing world. To assure our Nation's future economic prosperity we must be prepared to support our Nation's businesses in the face of foreign government intervention.

My amendment increases the funding level for Export-Import Bank loans by $64 million to basically the amount approved in last year's bill. This would support an additional $2 billion in export assistance over the fiscal year 1996 levels and create up to 40,000 additional U.S. jobs.

I propose as the offset a 3-percent reduction in AID development assistance and a 1-percent reduction in AID operating expenses.

The amendment has drawn the support of a number of organizations including: the Coalition of Employment through Exports; The United States-Russia Business Council; the Aerospace Industries Association; the General Aviation Manufactures Association; and the International Engineering and Construction Industries Council.

I commend these groups for stepping up in support of this amendment. Asking for a funding increase in an era of declining budgets means making tough choices and these groups have associated themselves with what is a difficult funding offset.

The amendment does ask for a 1-percent reduction in total AID spending. My amendment does not, however, makes any cuts in the child survival account. As Americans, we all want to

do our best to help the world's neediest citizens.

But other parts of AID's development assistance account should be looked at more closely. Although well intended, development assistance simply demonstrates little by way of results—beyond perhaps making us feel better.

In an era of declining budgets we must make choices. I believe a $2 billion increase in exports, leading to the creation of up to an additional 40,000 U.S. jobs, is an appropriate tradeoff against a 1-percent reduction in total AID spending.

Unfortunately, I detect too many crosscurrents within the House which lead me to think we cannot be successful today.

There are groups which support an increase for Eximbank but ironically also stand to benefit from AID development assistance grants and are not able or willing to offer another offset.

There are Members concerned about Eximbank's role in China and Members on the other side of the coin concerned about Eximbank's decision not to move forward with the Three Gorges Dam project. Finally, there are Members who still need convincing that Eximbank isn't just some corporate welfare scheme.

I will not press for a vote in the House today which some might choose to construe somehow as a lack of support for Eximbank.

It certainly is not.

I also would like to thank the gentleman from New York [Mr. FORBES] and the gentleman from California [Mr. PACKARD] and others who have spoken in support of this measure and were ready to support it here on the House floor today.

Mr. Chairman, as an old rodeo announcer, one of the first things you do is count the house. We counted the House, and we see where the votes are.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CALLAHAN. Mr. Chairman, I move to strike the last word.

I want to commend the gentleman from Iowa for his efforts. Certainly, there is no greater supporter in this House than Mr. LIGHTFOOT with respect to the Eximbank, and with justifiable cause because Eximbank does create jobs in the United States. The gentleman is exactly right in his philosophy. But the committee has worked long and hard trying to reach a resolve and I respect the gentleman's mission. I also respect the fact that he recognizes we have done the best we can do. If there is anything we can do in conference to facilitate his request, we certainly would take that into consideration.

I want to commend the gentleman from Iowa for his efforts. If anyone should get credit in this bill or in last year's bill for adequately funding the Eximbank, it is the gentleman from Iowa, Congressman LIGHTFOOT. I appreciate his efforts.

AMENDMENT OFFERED BY MR. OBEY

The CHAIRMAN. Are there further amendments to title I?

Mr. OBEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. OBEY: On page 3, line 25, after the dollar amount, insert the following: ''(reduced by $1,000,000)''.

Mr. OBEY. Mr. Chairman, I stand here as a longtime supporter of the Eximbank. I remember in the early years that I served on this committee and in fact in the early years when I was chairman, my ranking Republican member was then the distinguished gentleman from New York, Mr. Kemp. At that time he and the Reagan administration favored the elimination of all support for the Eximbank. We resisted that. We stopped the elimination. I, for years, supported appropriations for that institution above the amount asked by the administration because the Eximbank, we felt, was important in the effort to expand American exports around the globe.

I take a back seat to no one in my desire to do that. I think people need to understand that in this country one out of every seven jobs are related to our ability to export or to compete effectively against companies who are importing.

I do think that we have an anomalous situation, and that is what this amendment attempts to address itself to.

We have many, many accounts in this bill which are very deeply reduced. We have a huge cut in the IDA account. We have large reductions in development accounts. We have huge cuts for administration in AID. The 1997 bill, as reported by the committee, cuts or level funds for all administrative accounts in the bill with the exception of the Eximbank and the Overseas Private Investment Corporation.

I support the work of those agencies. As I said, I have tried to ensure over the years that they received generous levels of funding. But at a time when virtually every other administrative account in the bill has either been cut or straight lined, I have a great deal of difficulty justifying or advocating increases to this agency.

I would also point out that the Eximbank has been cited this year as having provided an excessive number of achievement bonuses for over 200 of its employees. I frankly feel that sometimes bonuses are perfectly appropriate. But it strikes me that when we had that many in the midst of forcing reductions in many domestic agencies and at a time when we are forcing reductions in many other agencies in this bill, I just do not feel comfortable supporting that.

AID has announced a reduction in force of about 10 percent of its work force. Its operating fund has been cut by $30 million by the committee. There will be attempts made on this floor today to reduce it even further. It seems to me that with those kinds of significant reductions, it is not appropriate to be providing an increase in administrative costs for Exim. Even so, my amendment does not eliminate all of the increase in administrative expenses. It simply eliminates half of the increase provided by the committee.

It seems to me that, therefore, it is perfectly prudent and reasonable to suggest a $1 million reduction in this account for administrative expenses, and that is all that the amendment does.

Mr. ROTH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am not addressing the issues of this particular amendment. I am taking this time, Mr. Chairman, just to commend the gentleman from Alabama [Mr. CALLAHAN], the chairman, for the excellent work he has done on this legislation and also the gentleman from Texas [Mr. WILSON], for his leadership. We appreciate that over the years and for all he has done for this body and for his country.

With the leadership of these two individuals, this legislation takes another positive step forward in shifting our priorities away from foreign aid and helping American companies increase their exports. I think that is the key to increasing exports and creating new jobs for American workers.

This bill reduces foreign aid by nearly half a billion dollars from last year's bill. Compared with the administration's request for more foreign aid, this bill saves $1 billion for the American taxpayers.

Particularly, let me commend Mr. CALLAHAN for sharply reducing the AID Housing Guarantee Program. The reason I do that is my Subcommittee on International Economic Policy and Trade has conducted a 3-year investigation on this program with the assistance of the General Accounting Office. We uncovered the fact that AID's mismanagement of the Housing Guarantee Program is causing a 40-percent loss rate on loans that the United States has guaranteed, 40-percent loss rate.

So far, 22 foreign countries and governments have stopped payment on these U.S.-backed loans. This means that half of the countries in the program have caused losses that the United States has to cover. All told, we have paid more than $400 million to cover these bad loans. What is worse, GAO predicts that these losses will continue to mount year after year.

Mr. Chairman, we will pay over $1 billion to cover these losses. This is very significant for us to remember. Several weeks ago, the inspector general of AID testified before our committee. He agreed with our judgment that the Housing Guarantee Program was in big trouble and has to be reviewed. This provision in this bill, which cuts off virtually all new guarantees, is the right step to take. It is

consistent with the provisions of our authorization bill and would terminate this program.

Moreover, I support the focus of this bill in assisting our exporters. In hearings before our committee, witness after witness from the exporting community has emphasized over and over again that funding for the Export-Import Bank, the Overseas Private Investment Corp. and the Trade and Development Agency are essential to our competitive position in the world markets.

□ 1215

In sum, this legislation sets the right priorities, it reduces spending, it shifts money away from foreign aid, and it helps our exporters, and it shuts down poorly run, wasteful programs.

So all in all, Mr. Chairman, this legislation has looked at the key issues and, I think, has made the proper judgments all along the way, and so I think this is a particularly good piece of legislation.

Mr. CALLAHAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I appreciate where the gentleman is coming from, and certainly, if anybody is in favor of cutting expenses of this huge Federal Government it is me. but we have worked in a bipartisan manner to reduce Federal aid responsibly, and I think that the subcommittee and the full committee have done it. The administration requested the amount of money we put in this bill.

Now, if we are going to have responsible administrations administering programs as well supported as the Eximbank and if the Eximbank is going to continue to move in the direction of concentrating some of their efforts toward small business, then we are going to have to give them adequate resources to provide that service.

We have conveyed to the leadership of the Eximbank and not to the administration that we think they ought to look at smaller projects. There is something else other than a dam, there is something else other than a highway, there are small business people in the United States who have a potential customer in foreign countries, and that is why we have the Eximbank, and if they tell us they need money to provide this type of service to investigate whether or not the loan is viable, we have to give them adequate resources.

So I try to give this administration as much flexibility as I can. They came to me, and said in order to have an effective Exim operation, we must provide them with adequate funds. That is incidentally the request, I think that we must give them the benefit of the doubt, encourage them to be frugal, but at the same time not tie their hands and eliminate the possibility of job creativity in the United States.

Mr. WILSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would just like to underline what the gentleman from Alabama [Mr. CALLAHAN] has said. Multinational companies in the United States, are companies that create the highest paying jobs in the United States. The Eximbank has done as spectacular job in the last few years of stimulating American jobs at home as well as stimulating American investment abroad. We all know that American companies work at a great disadvantage in foreign trade, due to the Corrupt Practices Act. Other countries can deduct the bribes they pay to do business from their income taxes. The companies in the United States have to abide by a very strict Corrupt Practices Act. I hope that we can make progress in persuading our European partners and others not to pay bribes anymore, but so far we have not been able to do that.

But without the financing that is furnished by the Eximbank, there would be tremendous job loss in the United States and tremendous economic loss. A loss in our gross national product, a loss in Federal income tax revenues and a loss across the board economically.

So I would join the gentleman in opposing this amendment.

Mr. MANZULLO. Mr. Chairman, I move to strike the requisite number of words.

I stand to speak on behalf of the amendment No. 24 from the gentleman from Wisconsin [Mr. OBEY]. I do not know if the Members of this House are aware of a February 1, 1996, article: ''The Export-Import Bank Overpaid Salaries.'' This shows that the Eximbank illegally increased the salaries of about 200 employees by an average of almost $5,000 a year after portraying them as critical workers that the agency could not afford to lose, and the bank's acting chairman, now a chairman who is appointed full-time permanently during the recess, Martin Kamarck, said in February 1996 we blew it, we were aggressive, and made a mistake and will fix it. Well, this is now June 1996, and it still has not been fixed. The Eximbank only has about 400 employees, and half of them, one-half of them, got pay increases, and those 200 employees, I believe, represent 25 percent of all the Federal employees that got pay increases.

Now, this is an agency that needs some trimming. We are not talking about cutting back the amount of subsidies that will be available for the purposes of helping American exporters compete overseas. What we are talking about is an agency which will be 2.5 percent, there will be a 2.5 percent reduction in subsidy, and yet the agency wants a 4.2-percent increase in their operations expense. That is not necessary, and simply because the agency requests the amount of money does not mean that we should give it to them.

I have an even stronger amendment which I will be offering later on in the course of this debate that will cut the administrative expenses by approximately $3 million. But as to the Obey amendment, it is correct, it should be done, there is no reason why the Eximbank cannot be forced to live within its means, and the $1 million to which the gentleman from Wisconsin [Mr. OBEY] is referring I think is a fact that this is a time for the American people to get back the $1 million that was improperly paid to over 200 workers at the Eximbank.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I thank the gentleman for his comments. Let me simply observe that for those who indicate that they are concerned that Exim will not be able to provide sufficient services to small business if this cut goes into effect, I would suggest that I have been involved for a long time in trying to get greater focus on small business at Exim. And perhaps, taking a note of the reduction which has occurred, they will make a greater effort to respond to the needs of small business in order to build a broader constituency. That might be a very positive result of adopting this amendment.

Mr. MANZULLO. Mr. Chairman, I agree with my colleague from Wisconsin. I think it is disingenuous on the part of Eximbank to say that unless they get their additional appropriations, they cannot reach out to small businesses. But my question is this: Just because an agency wants to increase its outreach, does that mean it has to increase its budget?

We are talking about a reordering of priorities, and I would encourage my colleagues to vote in the affirmative on Mr. OBEY's Amendment No. 24.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. OBEY].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. OBEY. Mr. Chairman, 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 CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Wisconsin [Mr. OBEY] will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT OFFERED BY MR. MANZULLO

Mr. MANZULLO. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. MANZULLO: Page 3, line 25, after the dollar amount, insert the following: ''(reduced by $3,136,000)''.

Mr. MANZULLO. Mr. Chairman, I rise in support of my amendment numbered 19 to reduce the bill's $47.6 million appropriation for Export-Import Bank administrative expenses by $3.1 million.

Mr. Chairman, my amendment is quite simple. If the Committee on Appropriations could recommend a cut of 2.5 percent for the subsidy appropriations for the Eximbank, certainly they do not need to increase Washington bureaucracy at Exim by 4.2 percent especially if the General Accounting Office found nearly $1 million in overpaid bonuses.

This is an agency, Mr. Chairman, that said that it had to take a lot of time in coming to a decision because of the layoff and the shutdown of the Federal Government, and then they turn right around and give almost $1 million in bonuses.

This is simply a budgetary priority issue. My amendment would cut Washington bureaucracy at the same percentage level as the cut in the program account at Exim. If Exim programs drop by 2.5 percent, so should a Washington bureaucracy. A 2.5-percent cut from last year's level is not a drastic measure. Every agency is experiencing severe budget crisis. Exim should not be the exception.

Mr. Chairman, the President of Exim said last February that the bank made a mistake and they would fix the overpaid bonus problem. Out of 448 employees, 200 were awarded bonuses, but the GAO said that only 10 of the 200 were actually eligible to receive the money. Well, Exim is one of the smallest agencies in the Federal Government. Exim accounted for 25 percent of all bonuses granted governmentwide. GAO concluded that many of these awards did not appear to comply with the statutory requirement.

Well, months later the issue is still unresolved, and to add salt to an open wound, the President nominated Mr. Kamarck to head the Eximbank in a recess appointment, allowing him once again to issue bonuses.

Finally, the chairman of Exim said in a press conference last week that their services are not needed for the largest public works project in the biggest emerging market in the world. Mr. Kamarck said U.S. companies can win these contracts on their own. I am perplexed at that statement. He seems to question the need for these additional personnel and resources if Exim declines at this time to support our exporters for the Three Gorges Dam project. If Exim immediately withdraws support for both large and small U.S. exporters for this huge project, then Exim does not need the extra $2 million for outreach activities to small businesses. Exim could do more for small businesses by revisiting the Three Gorges Dam decision.

Mr. Chairman, I urge my colleagues to support my amendment. If my colleagues are concerned about the deficit, if my colleagues want to cut Washington waste and bureaucracy, if my colleagues want to balance the committee's recommendations for programs with resources, if my colleagues want to sent a message to Eximbank, then support the Manzullo amendment No. 19.

Mr. LAHOOD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me just see if I can sketch out here what is really happening. There are two things in play here. No. 1, we have this administration running all over Capitol Hill trying to persuade those of us in the House and Senate to vote for MFN, most-favored-nation status. I support that. I think it is good, and I hope that it will pass.

So on the one hand they want us, as a Congress, to support MFN. On the other hand this administration sends a memo to the Eximbank and says do not fund any of the loans for the Three Gorges project in China, and the reason they give in their memo is for humanitarian and environmental reasons.

So this is the classic Clinton way of doing things. On the one hand they want to portray themselves as being for the environment and being for humanitarian efforts. On the other hand they want to come up here and ignore that on MFN. So they sent this memo to the Eximbank snubbing their nose at American business. The Three Gorges project is going to proceed, it is going to move ahead. China has decided that they want this project.

So the administration wants to say, ''Oh, we're for humanitarian environmental issues,'' on the one hand, and yet come up here and ignore them on MFN. So they have totally politicized the Eximbank on this issue. Their memo has scared the Exim people to the extent that they will not allow these loans to proceed, and American business gets snubbed, and the projects, the money for this equipment, will go to our foreign competitors.

So they want to be able to tell American business, ''Yes, we're supporting you because we're for MFN, but on the other hand we can't support this particular issue.''

□ 1230

Mr. Chairman, this agency has been politicized by this administration. This amendment will send a strong shot across the bow of the Eximbank that Congress knows what the administration and Exim is up to. Hand in glove, they are working together so the administration can have what they want, on the one hand with MFN, and they can also then go out and portray themselves as being environmentalists, and also for humanitarian concerns.

Mr. MANZULLO. Mr. Chairman, will the gentleman yield?

Mr. LAHOOD. I yield to the gentleman from Illinois.

Mr. MANZULLO. Mr. Chairman, it is my understanding, I would say to my colleague, the gentleman from Illinois, that Exim's refusal to get involved in financing with several companies could cost this country tens of thousands of highly skilled and highly paid jobs. Is that correct?

Mr. LAHOOD. Absolutely, Mr. Chairman.

Mr. MANZULLO. This is what this is about. We are talking about the largest public works project in the world.

Mr. LAHOOD. Mr. Chairman, let me just conclude by saying this. If the Members who are in their offices watching this debate on this amendment want to be consistent on MFN, what they ought to do is vote for this amendment and continue to send a strong signal that we cannot have it both ways. This is the classic Clinton attempt to have it both ways. It is nonsense, and we should not stand by and let it happen. That will send a strong message.

I encourage Members who care about American business and care about companies doing business abroad to do this.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. LAHOOD. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, I thank the gentleman very much for yielding to me.

Mr. Chairman, I would just like to remind the gentleman, and I am sure he probably knows it, that this subcommittee, as well as other committees, have put environmental constraints on the Eximbank, and they are mandated by Congress to make decisions based on that.

Mr. LAHOOD. Mr. Chairman, I would say to the gentleman from Texas, it is very clear why they made this decision, because the Clinton administration told them to make it. They told them how to direct this money and they told them not to direct it onto the Three Gorges project.

Mr. WILSON. It is quite possible. I am not sure about who directed who to do what, but it is very likely that under any circumstances, and I know how you gentlemen from Illinois feel, because it means a lot of jobs, but still, I believe that the Eximbank would have come under great, savage criticism had they approved this loan.

Mr. LAHOOD. Then how can the administration run up here on Capitol Hill, then, and try to persuade all of us to vote for MFN? Where are their environmental and humanitarian concerns when it comes to that issue?

Mr. WILSON. Mr. Chairman, I would say to the gentleman, the issues are simply not connected. The issues are simply not connected. MFN is an across-the-board trade. It is giving China the same status as practically every other country in the world has. It has nothing to do with Three Gorges Dam or the determination by the Eximbank that it did not fit into that.

Mr. OBEY. Mr. Chairman, I rise to strike the last word.

Mr. Chairman, I did not come here to be Bill Clinton's Congressman. I did not come here to be Tommy Thompson's Congressman. I did not come here to be anybody's Congressman except the people I was elected to represent, so I do not have to come here and support every action taken by the administration.

Mr. Chairman, I do not happen to favor MFN for China. I think China has not behaved in a way that entitles

them to that privilege. I also happen to think that the Eximbank was right in the decision they made on this project, so I do not think the gentleman from Illinois—and he has a perfect right to take the position he does—but we do not have on this side of the aisle, or at least I do not have, a responsibility to support every decision made by the Clinton adminstration. I happen to think that the Eximbank was correct in that case, in the case that the gentleman from Illinois has a profound disagreement with.

Mr. Chairman, I would simply suggest that I think my amendment is a rational effort to send a signal to Exim that they should not provide inappropriate bonuses, and that it is also rational to indicate that we ought not to be exempting any agency from the squeeze when we have a very tight fiscal situation.

But if the point of the gentleman's amendment is to express the Congress' disagreement with Exim's decision on the case in question, then I would strongly urge opposition to that, because I think that would send an even more confusing signal to the Chinese Government, and I think if we are dealing with the question of what ought to happen with respect to MFN, we ought to deal with it when the time comes.

Mr. LAHOOD. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Illinois.

Mr. LAHOOD. Mr. Chairman, does the gentleman recognize the inconsistency that I tried to point out here, though, with trying to portray the thing in two different lights by the administration?

Mr. OBEY. In my view, Mr. Chairman, as far as I am concerned, the administration's position in support of MFN and in opposition to this is irrelevant. I have an obligation to exercise my own judgment. The gentleman is free to characterize the position of the administration any way he wants.

On this issue, I do not care what the administration thinks. I care about what I think is right, and what I think is right is not to exempt Exim from the budgetary squeeze that is befalling virtually every other agency in this bill. I also happen to think that they were right to turn down the project that the gentleman thinks they should have approved.

I am not trying to get into policy questions on Exim I am simply trying to make the simple observation we should not be expanding their administrative expenses when we are cutting everybody else's. That is what my amendment does without getting into a premature argument on this.

Mr. LAHOOD. If the gentleman would further yield, I wonder, if the gentleman's own amendment goes down, if he would be willing to support ours, then, since then he would be accomplishing what he is trying to accomplish here. He would reduce by an amount of money the ability of them to do what he wants.

Mr. OBEY. As I said, Mr. Chairman, I am opposed to this amendment because I recognize the importance of the Exim in extending business abroad and enabling us to provide exports. I am going after their administrative account because I do not like an administrative decision they made with respect to bonuses. But if we are going to start going after their administrative account every time we do not like a policy decision they made, we will have 100 amendments on the administrative account. I do not think that makes much sense for either them or the Congress to be doing.

Mr. MANZULLO. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Illinois.

Mr. MANZULLO. Mr. Chairman, I would just state that the purpose of my amendment is to reduce the administrative expenses by the same percentage as the reduction in the subsidy appropriation; that is all we are doing, because we are asked to decrease the subsidy appropriation by 2.5 percent, and we are also being asked to increase the administrative expenses by 4.2 percent. So if we are spending less money, they should in essence be spending less money to administer this.

Mr. OBEY. Mr. Chairman, I thank the gentleman for his observation. I do not think necessarily that administrative expenses are tied directly to the level of financial support the agency gets. Some deals are a whole lot more complicated than others. The world is a lot more complicated than that.

Mr. CALLAHAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the amendment offered by my two close friends, the gentleman from Illinois, is offered in understandable frustration. Simply, what happened, days ago the Eximbank killed efforts by some American companies, including some from Illinois who would be participating in a massive Three Gorges hydroelectric dam project in China. A lot of time and money went into preparing bids for that project. Eximbank first signaled its willingness to finance them, and then they switched signals. I do not think it is the end of the road. I do not think the door is truly closed on that project. I think it is closed at this point.

But it is a terrible message. While I understand the gentleman's frustration, this is not the solution. As the gentleman from Wisconsin [Mr. OBEY] mentioned, if we are going to penalize the Eximbank or any other agency of the United States because they do not do what we want them to do, then we are going to be here every day on every bill with amendments such as this.

Mr. Chairman, I share the goal of the gentleman. I hope American companies will be able to ultimately participate in the Three Gorges hydroelectric dam project, but I do know that companies in the Members' districts and in their States are going to benefit, whether this becomes a reality or not, this particular project.

I just want to tell the Members that I share their frustration. I have had projects turned down in the State of Alabama. Even though I disagreed with the Eximbank for turning my people down in the State of Alabama, I did not try to penalize them by reducing their operating expenditures.

I share the frustration. I have talked with the chairman of the Eximbank about the Members' projects. I support Members' involvement in the project and I support the project, but this is not the place to establish policy. So let me share in the frustrations, let me share in my willingness to assist the Members on this or any other project. But we have worked long and hard to come up with a responsible piece of legislation that has bipartisan support, and we cannot respond to every request that comes along by punishing someone. We are not going to punish the people who are doing the work. We are not going to punish the executives who made the decision. This is going to punish the ability of American small business people and large business people to compete with the French and the Germans and the British in foreign operations.

So I respect where Members are coming from, but I also have to respectfully speak in opposition to the amendment.

Mr. MANZULLO. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Illinois.

Mr. MANZULLO. Mr. Chairman, how many agencies is the gentleman aware of that have had an actual increase in administrative expenses besides border patrol?

Mr. CALLAHAN. Mr. Chairman, how many agencies does the gentleman know of that are creating thousands of jobs? How many agencies does he know of that created $17 billion in American exports and 340,000 American jobs? That is a part of our overall policy. I would say, why are we going to punish American exports?

Mr. MANZULLO. I am not punishing, Mr. Chairman. All I am saying to the gentleman, why should the Eximbank administrative account have an increase when all other agencies, including social service agencies, are having decreases?

Mr. CALLAHAN. Because we have advised them to do more, and No. 1, we get something in return for this. This is not going to go on forever. These people buy Caterpillar machines, they buy shrimp boats from Bayou Le Batre Alabama, they buy supplies made by the American people, they buy generators for these hydroelectric plants made by the American people. So this is an agency that we have been demanding to focus more so on small business people. We are encouraging them to spend more money focusing on the ability to create jobs in the small business sector.

Mr. MANZULLO. Mr. Chairman, is the gentleman aware that the generator business is going to Canada because of the decision by Eximbank, and those generators that can be American built and shipped are now going overseas for shipment to China?

Mr. CALLAHAN. That is the policy. That is this one particular job.

Mr. LAHOOD. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Illinois.

Mr. LAHOOD. I just want to make one point, Mr. Chairman. I respect the gentleman's point of view on this.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. CALLAHAN] has expired.

(On request of Mr. LAHOOD, and by unanimous consent, Mr. CALLAHAN was allowed to proceed for 1 additional minute.)

Mr. LAHOOD. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Illinois.

Mr. LAHOOD. Mr. Chairman, I would just make this point. If this decision were made on the merits, we would not be standing here. This administration has politicized the Eximbank by sending them a memo saying ''Do not fund this.'' So it is not us coming over here trying to exert influence. This agency has been politicized by the Clinton administration. There is no question about it. If they had not done that, if Exim would have done what they are supposed to have done, been professional, done it on the merits, it would be different. That is why we are here, because we are irritated about the fact that it has been so politicized.

Mr. Chairman, I rise today in support of Mr. MANZULLO's amendment to H.R. 3540, the Foreign Operations Appropriations Act for fiscal year 1997, and want to personally commend the chairman of the Subcommittee on Procurement Exports, and Business Opportunities for his efforts to assist U.S. businesses in their endeavor to compete in the world market.

Mr. Chairman, this amendment specifically addresses the fiscal year 1997 appropriation for the Export-Import Bank and seeks to reduce their administrative costs by 2.5 percent, in proportion to the amount of reduction in subsidies, rather than increasing administrative costs by 4.2 percent as set forth in this legislation.

My reasons for supporting this amendment are many, but I would like to take this time to discuss only one example that has prompted me to support this reduction in administrative costs. This concerns the recent announcement by Martin Kamarck, president and chairman of the Eximbank, in which he stated that the Board concluded that the Eximbank cannot issue a letter of interest for the Three Gorges Dam project in China, the largest hydroelectric project in the world, and one in which I have had considerable interest because of the effect it would have on a company in my district, and the people it employs.

Even though this particular project was found financially credit worthy and technically sound by the Board, it concluded that a letter of interest could not be provided to U.S. companies seeking to do business with China because of a lack of information from the Chinese relative to environmental concerns. Mr. Kamarck went on to further comment that this decision does not limit U.S. companies from privately participating in the Three Gorges project.

First, it seems to me that if the staff of the Eximbank were not able to provide enough information on the environmental concerns to the Board, then the Board should not have voted until this information had been obtained. On this particular point, my office staff, as well as numerous others, inquired from time-to-time throughout the review process as to whether or not additional information was needed, and we were told repeatedly that they had enough information to make a recommendation.

Second, if the Eximbank is not going to assist U.S. companies, but suggests that they participate privately, then maybe we should be thinking about whether or not we need the Eximbank at all.

I do not think we need to be rewarding an organization that does not seem to be following the process as it was intended by Congress and changes the goalposts in the process, thereby hurting U.S. businesses in their efforts to compete with other countries who are now involved in selling equipment to China for this project.

Officials at Caterpillar, a large supplier of Earth moving equipment in my district, have suggested to me that what we should be doing is to increase the administrative appropriation at Eximbank, rather than reducing it, so they can hire more environmentalists to do the obviously needed staff work on projects such as this, but I disagree. the Eximbank has been touted by the administration as one of the brightest stars in their campaign to promote U.S. exports, but I believe their reputation has suffered as a result of the delay on this matter of providing export-finance assistance for the sale of United States goods to China for use in building that country's massive project.

Mr. Chairman, I believe we should vote to reduce the administrative costs for the Eximbank by the same amount that we have reduced the subsidy, and I urge my colleagues to support Mr. MANZULLO's amendment.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin [Mr. OBEY] be allowed to offer amendment No. 26 at a later point in the reading of the bill, even if consideration of title I has been completed.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MANZULLO. Mr. Chairman, reserving the right to object, I would ask the reason for the unanimous consent request.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, the reason for the unanimous-consent request is because I have an amendment to cut another item in this title. I am required to be in a leadership meeting for the next 10 minutes.

Mr. MANZULLO. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. VOLKMER. Mr. Chairman, I move to strike the requisite number of words. Before I proceed, I would like to engage the gentleman on a colloquy on the pending amendment, a discussion on his amendment.

Does the gentleman realize that if the Obey amendment is passed and the gentleman's amendment is passed, the total dollar amount in administrative costs to Eximbank will be cut?

□ 1245

Mr. MANZULLO. The total amount would be minus $3.6 million, and his would be $1 million, that is correct.

Mr. VOLKMER. I think his is $2 million. You can add them together; if you add them together. So the gentleman is right, close to $5 million. Now, is that what the gentleman really wants to do?

Mr. MANZULLO. It is $4.1 million.

Mr. VOLKMER. Is that what the gentleman really wants to do?

Mr. MANZULLO. I think it is necessary that administrative expenses be cut at a time when the subsidy appropriation is being cut, that is correct.

Mr. VOLKMER. Mr. Chairman, I may have been able to support the gentleman's amendment is he had offered it as a substitute for Obey. But as accumulate to Obey I am going to have to oppose the amendment, and I think the House should oppose the amendment, because when you total it out, it is in excess of what you say you are cutting.

Mr. MANZULLO. That is correct.

Mr. VOLKMER. I would recommend to the House that we go ahead and vote and adopt the Obey amendment, which I think is a reasonable cut in administrative costs.

Mr. MANZULLO. Mr. Chairman, if the gentleman would continue to yield, if you take the Obey amendment, that is the $1 million that the chairman of the Eximbank should have paid back a long time ago, and he never did. He said back on the last day of January of this year that he was going to make up for the improper bonuses that he paid that cost the American taxpayers $1 million. To date he had not done that. So we start with the $1 million reimbursing the taxpayers that is already owed them.

My amendment then says, let us reduce the administrative expenses by the same percentage as the overall subsidy appropriation, which is 2.5 percent.

Mr. VOLKMER. Well, then, you are really in favor of both amendments and adding them together in cutting the $4.1 million.

Mr. MANZULLO. That is correct. I think we can cut bureaucrats at

Eximbank and the organization can function just as well.

Mr. VOLKMER. Well, Mr. Chairman, reclaiming my time, I would argue that the Obey amendment, which I think is a reasonable amount, sends a signal to Eximbank and that Eximbank should abide by the rules and regulations of paying their employees. I do not disagree with the gentleman on that, and I think they will. I also believe that Exim does provide a meaningful, well-rounded program to provide exports out of this country. Even though there may be those Members who are in disagreement with some specific areas, I do not believe that you really should throw the baby out with the bath water. I believe that the amount that is provided in the Obey amendment is a reasonable amount, does send a signal, which you really want to do, does bring to the attention that the Congress will consider the actions of the Eximbank, just like we will any other agency of this Government and the bureaucracy.

Mr. LAHOOD. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Illinois.

Mr. LAHOOD. Mr. Chairman, if the amendment of the gentleman from Wisconsin does not prevail, would the gentleman then be prepared to support the amendment of the gentleman from Illinois?

Mr. VOLKMER. Mr. Chairman, if the Obey amendment fails, then I would support the Manzullo amendment, but I would not support both. But I would support the Obey amendment.

Mr. LIVINGSTON. Mr. Chairman, I rise to strike the requisite number of words, and not to take a position on this amendment.

Mr. Chairman, I rise simply to speak on behalf of the bill in its entirety as it has been written by the distinguished chairman of the subcommittee and voted on by all of the members of the subcommittee. The gentleman from Alabama [Mr. CALLAHAN] has done an outstanding job on this bill. He has worked out agreements where frankly no agreements have been thought possible on issues that are highly controversial and proved so last year. Such issues as family planning that really hung the bill up for 9 months.

So I just want to tip my hat to him for his magnificent performance, and as well to the performance of the distinguished gentleman from Texas [Mr. WILSON], the ranking minority on the subcommittee. He has done his usual superb job. He has also served valiantly in this Congress for I do not know how many years before I even came here. But he has been a great contributing Member to the Congress, both throughout his tenure as a member of the Majority and now as a member of the minority.

The gentleman from Texas [Mr. WILSON] has served as an outstanding contributing member as the ranking minority member on the subcommittee. This will be the last bill that the gentleman helps to manage as he goes on to other things following his departure from the U.S. Congress. I just want to thank him for his efforts and wish him will and Godspeed in all that is ahead of him and in all that life has to offer after he departs from the U.S. Congress.

So with that, Mr. Chairman, again, I compliment the gentleman from Alabama [Mr. CALLAHAN] and the gentleman from Texas [Mr. WILSON] for their work on this bill.

Mr. Chairman, I reluctantly rise in opposition to this amendment and urge Members to vote against the amendment. But I also want to urge all of our Members to vote for this bill that has been so finely crafted by the two people most responsible for the bill.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I thank the gentleman from Louisiana for yielding to me.

Let me just point out that I recognize the frustration, I recognize the position of the two gentlemen from Illinois, but their reason for being here today is because of an administrative decision. Someone said that the White House called down to the Eximbank and told them not to handle this project at this time. So the solution there, I might inform the gentleman, is not to punish the Eximbank, but to get an administration down there that will not do those types of things.

If that is the case and if you get an administration who wants to work with projects such as this, then you have to make certain that the Eximbank is adequately funded. So maybe there is a possibility that in 4 months, the gentleman's problem will be resolved.

Mr. WILSON. Mr. Chairman, I move to strike the requisite number of words.

First of all, I want to thank the chairman of the full committee for his very kind and generous words, as well as everyone else for all of the other kind and overly generous words that have been uttered today. I am deeply appreciative.

I really understand the frustration of the gentleman from Illinois, the two gentlemen from Illinois. In addition to understanding the frustration, I want my colleagues to know that I am a Caterpillar fan. I have supported every project that I know of that Caterpillar has participated in, and Caterpillar is participating in projects all over the world today that are financed by the Eximbank. I am just suggesting, as the chairman of the full committee suggested, that it could be short-sighted to try to punish the Eximbank for this single decision when there are so many other decisions that involve jobs in your districts. It is penny-wise and pound-foolish.

Mr. MANZULLO. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Illinois.

Mr. MANZULLO. Mr. Chairman, let me state this again. I think it is fiscally inappropriate for the U.S. Congress to reduce the subsidy appropriation of an agency by 2.5 percent, and yet increase the salaries of bureaucrats by 4.2 percent. All my amendment says is very simply, everything is being downsized. How can we as Members of the U.S. Congress vote to increase the bureaucracies of an agency? Every agency is being downsized except the administrative staff of this one. That is all we are doing on this.

Mr. WILSON. Mr. Chairman, reclaiming my time, I know the gentleman from Illinois [Mr. MANZULLO] is a forthright Member of this House. However, I would like to ask the gentleman a question, and that is, if the Three Gorges Dam had been approved, would the gentleman be here today with this amendment?

Mr. MANZULLO. I absolutely would. I vote every time there is an opportunity to cut.

Mr. EWING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Manzullo amendment, and I will have to admit to the question of the last speaker, had the bank approved the loan, I would not have been here. I am here to make a point about that. I think it is inappropriate that the bank was subjected to unusual, or it should be unusual, political pressure from the Clinton administration to turn down the request of American companies for support in their competition for contracts related to the construction of the China Three Gorges Dam. The bank has put American companies at a severe competitive disadvantage. Our companies will lose hundreds of jobs, maybe thousands of jobs, worth millions of dollars to our major competitors: Japan, Canada, and Europe.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. EWING. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, is the gentleman aware that the only other government in the world that is furnishing financial support for the Three Gorges Dam is Canada? It is not Germany, it is not Japan, it is not France.

Mr. EWING. Mr. Chairman, reclaiming my time, it is my understanding from a company in my district that France is also supporting their companies in this, and the point is that we do not know that others will not, and if Canada is, we ought to be out there and we ought to be competitive, and we should not have the dual standard. We should learn from our mistakes and this administration should. We should not try to influence banks. That is not the reason that that was set up.

Mr. MANZULLO. Mr. Chairman, will the gentleman yield?

Mr. EWING. I yield to the gentleman from Illinois.

Mr. MANZULLO. Mr. Chairman, I would state an inquiry to the comments of the distinguished gentleman

from Texas [Mr. WILSON], that in an article that appeared in the Wall Street Journal and New York Times about 3 weeks ago, China has asked several countries, excluding the United States, to participate in the first round of over $4 billion in investment going into China. Canada at this time has agreed to it, but Japan and Germany and other countries are presently considering it, seriously considering it.

Mr. EWING. Mr. Chairman, reclaiming my time, I know I do not have much time left, and I want to make the point that at this time when we are being asked to consider most-favored-nation status for China, which I support, and yet we are willing to overlook environmental deficiencies, human rights deficiencies, because we believe dealing with China is a better way to handle it, and yet when it comes to American industry wanting their share of this enormous contract, we are going to raise the environmental flag, we are going to raise the human rights flag and we are going to say we cannot deal with this contract because of the same reasons that we are willing to ignore. I do not think the administration has their program together on this. It is important for the jobs. It is important for years to come. If America supplies the equipment for this enormous project, we will be creating jobs in America for years to come.

Mr. Chairman, I question the subsidy appropriation of $726 million in this bill for the Exim bank. Just last week the bank, under unusual political pressure from the Clinton White House, turned down requests by American companies for support in their competition for contracts related to the construction of China's Three Gorges Dam. The bank has put American companies at a severe competitive disadvantage. Our companies will lose hundreds of millions of dollars worth of contracts and the jobs they support to competitors in Japan, Canada, and Europe.

The bank was established, quote, ''to foster expansion of exports of manufactured goods, agricultural products, and other goods and services, thereby contributing to the promotion and maintenance of high levels of employment and real income and to the increased development of the productive resources of the United States.'' The bank was intended to do what is in the best economic interests of this country. In its decision not to support American businesses on Three Gorges, the bank has directly violated these goals in my opinion.

The Caterpillar company which manufactures earthmoving equipment estimates that with support from the bank the company could obtain contracts worth up to $200 million in sales, which would translate into about 4,000 man-years worth of jobs here in the United States. However, without the support of the bank, Caterpillar will be at a severe disadvantage trying to compete against foreign companies, such as the Japanese, which surely will have backing from their governments. However, Caterpillar and its hundreds of suppliers and subcontractors are not the only American companies to lose from the bank's decision last week. For example, C.S. Johnson, which manufactures concrete mixing equipment, on its own has obtained one contract associated with Three Gorges which employs 20 full-time people in my district. C.S. Johnson would like to bid on 15–18 additional contracts, but because of the bank's decision will be at a major disadvantage.

Despite the fact that the bank was established as an independent agency, the bank capitulated to political pressure from President Clinton's White House, The White House took the extraordinary step of sending a written memo discouraging the bank from supporting the project based largely on environmental concerns. In fact, the White House, while trying to quietly pressure the bank not to support the project, also stated that ''the U.S. Government should refrain from publicly condemning the Three Gorges project.'' The bank took its marching orders from the White House and slammed the door on American companies based on questionable environmental concerns, instead of doing what is in the best economic interests of the United States.

Mr. Chairman, the dam will be built whether American companies participate or not. Because the bank allowed overzealous environmental activists in the White House to set the bank's agenda and ignored its responsibilities to do what is in the best economic interests of the United States, these jobs will go to Japan, Canada, or Europe.

When the bank's charter expires in 1997 some in this Congress will carefully review whether the bank has operated independently as it should, or catered to the political desires of the President.

Ms. PELOSI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment and to discuss some of the issues surrounding the amendment that is on the floor today. First a little history. The Congress of the United States for the last half a dozen years, or a little bit longer, has move to make the environmental concerns part of the criteria for decisions made by multilateral development banks including the World Bank. In 1992, Congress revised the Eximbank's charter to include a requirement that the bank establish environmental review procedures consistent with the bank's overall export promotion objectives. It authorized the board to grant to withhold financing support after taking into account the beneficial and adverse environmental effects of proposed transactions.

Following this congressional directive, Eximbank staff worked with the exporters, other U.S. and multilateral agencies, and nongovernmental agencies to define appropriate guidelines and procedures to be used for transactions requesting bank support. The Eximbank environmental procedures and guidelines have been in effect since February 1, 1995, and indeed, they are a result of congressional action.

That is in addition to other actions taken by the Congress, as I mentioned, so that these multilateral developmental banks and export financing agencies cannot contribute to the environmental degradation by supporting major projects which do just that, which are not environmentally sound.

I believe that the Eximbank and the Clinton administration are to be commended for their leadership, not their followship of what other countries might do but their leadership on this issue. Indeed, as my ranking member, the gentleman from Texas [Mr. WILSON] pointed out, only one other country, Canada, is providing the financing that is referenced in this debate.

□ 1300

So it is not as if our companies are at a disadvantage.

I want to also point out to Members that there is nothing preventing business from participating. If this is such a good business deal, then businesses should go in and do business as mostly all the other companies throughout the world are doing in the Three Gorges Dam without this assistance of their governments.

Mr. Chairman, several U.S. companies have already sold 60 to 100 million dollars' worth of equipment and services to this project without Exim support. The decision of the Eximbank in no way affects their ability to continue doing business privately with this project.

I support the Eximbank but I think we have to have a balance. Somehow or other corporate America thinks that they cannot do business unless they have a subsidy from the Government. There is no law against private industry going in and competing without a helpful hand from the Government—the corporate welfare that some have referenced.

But I support the Eximbank. I am not an opponent of it. I have been a strong proponent of these international banks being environmentally sound. This is about the environment—it is not about China. The World Bank, has billions of dollars of loans into China. One of the biggest recipients of World Bank loans is China. Even the World Bank is not lending money for the Three Gorges Dam because it does not meet their environmental standards.

The Eximbank was very clear in its statement that they have established what their concerns are environmentally. And if the Three Gorges Dam should at some point in the future meet those envrionmental standards, it would then be eligible for Exim participation.

So this is not a China issue. This is an environmental issue. The Eximbank voted unanimously against issuing a letter of interest because of the environmental concerns.

Again, I reiterate, the Eximbank has supported $3.8 billion in United States exports to China during the last 4 years and currently they have $10 billion in potential financing for transactions in various industries. So as I recognize the gentlemen from Illinois protecting the view of Caterpillar, but that is a special interest. We have the public interest at stake here on the floor and that public interest is nothing short of the environment in which we live. That internationally we have responsibilities to address the protection of that

environment and that the taxpayers' dollars should not be used to finance loans that will undermine the environment.

Mr. Chairman, I include for the RECORD the statement of the Eximbank as follows:

STATEMENT OF THE BOARD OF DIRECTORS OF THE EXPORT-IMPORT BANK OF THE UNITED STATES

(By Martin A. Kamarck, President and Chairman for Three Gorges Press Briefing—Thursday, May 30, 1996)

The Eximbank's board of directors met this morning to consider requests from several U.S. exporters for the bank to take the preliminary step of issuing letters of interest for the Three Gorges project in China.

The board has concluded that Eximbank cannot issue a letter of interest for this project at this time. The information received, though voluminous, fails to establish the projects consistency with the bank's environmental guidelines.

If the China Yangtze Three Gorges project development corporation provides Eximbank with additional information with respect to development and mitigation of the environmental issues involved in this project, the board could reconsider support for this project.

Although the level of interest surrounding this case makes it somewhat unique for Eximbank, the process used by the bank to reach its conclusion is routine, mandated by our congressional charter and applied to all long-term transactions.

American business in general, and Eximbank in particular, have a healthy economic presence in China, and it is our hope that this mutually beneficial trading relationship will continue to grow.

In fact, China is Eximbank's largest customer in Asia. And Eximbank has an aggressive outreach effort to support U.S. exporters doing business in China.

Many Eximbank staff members have spent months analyzing information, meeting with interested parties and working on the board memorandum, which assisted the board in making its decision.

Eximbank is an independent government agency. The bank's board of directors is mandated to make independent decisions about the appropriateness of providing financial support to export transactions which are determined to be financially, technically, and environmentally sound.

The mandate to consider the environmental impacts of projects requesting bank support began in 1992 when Congress revised Eximbank's charter to include a requirement that the bank establish environmental review procedures consistent with the bank's overall export promotion objectives.

It further authorized the board to grant or withhold financing support after taking into account the beneficial and adverse environmental effects of proposed transactions.

Following this congressional directive, Eximbank staff worked with exporters, other U.S. and multilateral agencies and nongovernmental organizations to develop appropriate guidelines and procedures to be used for transactions requesting bank support.

These environmental procedures and guidelines have been in effect since February 1, 1995.

So, as the bank's charter requires, staff reviewed financial, technical and environmental issues involved in this project. And because of the size and level of interest generated by this project, our staff consulted with other government agencies, including the National Security Council.

Our staff also held a series of open meetings with exporters and nongovernmental organizations and Chinese officials; and met with numerous Members of Congress and congressional staff.

Eximbank's engineering and environmental division solicited, received and reviewed information from a wide variety of sources, including the Chinese Government, U.S. companies, other U.S. Government agencies and nongovernmental organizations, as well as academic sources.

Although any project of this size raises many questions and issues, I will summarize the major (though not only) issues of concern raised by staff which the board concluded have not, to date, been adequately addressed by the projects sponsors.

Maintaining adequate water quality in the projects reservoir.

Protection of ecological resources and preservation of endangered species potentially affected by the project.

The environmental and socioeconomic impacts associated with the proposed resettlement of 1.3 million people to be displaced by the reservoir.

Protection of cultural resources affected by the project.

For Eximbank to reconsider its decision, the board would need further evidence that these issues will be adequately addressed, resolved and/or mitigated by the projects sponsors.

More specifically, to meet the objectives of Eximbank's environmental guidelines with respect to maintenance of water quality in the reservoir, Eximbank would look for the following information.

A plan to construct upstream wastewater treatment facilities needed to reduce the pollution caused by municipal and industrial wastewater discharged into the reservoir.

A plan for adequate wastewater and waste management measures for the areas surrounding the reservoir to prevent future pollution and ensure that the water quality is maintained.

A plan for clean-up of existing waste sites which will be submerged by the reservoir.

A dredging plan to reduce accumulated toxic sediments in the reservoir.

Similarly, to meet the objectives of Eximbank's environmental guidelines with respect to ecological issues, Eximbank would look for the following information:

A more fully developed plan, including mitigation measures, to reduce the risks to (and to support the propagation of) endangered aquatic and terrestrial species affected by the project.

Further information about the ecological impacts and proposed mitigation plans for areas downstream of the reservoir, especially around the lakes and estuary.

To meet the objectives of Eximbank's environmental guidelines with regard to resettlement, the bank would look for the following information:

A resettlement plan that adequately addresses issues such as, land management, infrastructure improvements, regional planning, population distribution, public health impacts, costs and sources of funding. Such a plan should also clearly demonstrate the administrative responsibilities and accountability for all steps of this process.

Adoption of soil conservation measures to control soil erosion in the newly created resettlement and inundated areas.

A plan for acceleration of forestation in areas vulnerable to soil erosion and areas slated for deforestation due to resettlement.

In addition, given the unique cultural and historical resources at risk, to meet the objectives of Eximbank's environmental guidelines with respect to maintenance of socioeconomic and sociocultural resources, Eximbank would look for the following information:

Specific information that adequate measures have been adopted for the protection of the cultural and historical resources of the project area.

Additional information has to be forthcoming before there can be a decision on committing U.S. taxpayer money. Staff informed the board that in many circumstances the information has not yet been developed.

Before taking your questions, let me make several other important points:

First, the decision to construct the Three Gorges hydroelectric project belongs to the People's Republic of China.

Today's decision by the Exim board is a recognition that as a U.S. Government agency, Eximbank has rules and requirements that must be met before extending support to projects. And, as a government institution, Exim must apply its operating procedures to all projects—large and small, in all countries where we do business, in a fair and transparent manner.

Today's decision means only that the information we have received so far about this project does not in the judgment of the board, satisfy the objectives of Eximbank's environmental guidelines.

Second, this decision does not limit U.S. companies from privately participating in the Three Gorges project.

Already, several U.S. companies have sold $60–$100 million worth of equipment and services to this project without Eximbank support. And today's decision, in no way, affects their ability to continue doing business privately with this project.

Third, with respect to whether other government export credit agencies will be involved with this project, we currently are aware of only one official government-supported financing offer for sales to this project. It comes from EDC, the Canadian export credit agency.

In addition, we also understand that requests for financing may have been made to one other export credit agency. We are not aware of any other governments which have made financing offers to this project.

Fourth, we have supported $3.8 billion in U.S. exports to China during the last 4 years, and currently have over $10 billion in potential financing for transactions in various industry sectors including power (conventional coal-fired, hydro, nuclear and wind energy), aircraft, airports, telecommunications, chemical plants, project finance and more.

In the power sector alone, during the last two years, Eximbank has financed nearly $640 million worth of U.S. exports.

Finally, given this long history of Eximbank support for U.S. exports to China, and the fact that China's demand for goods and service will continue to grow as their economy grows, Eximbank looks forward to continuing a strong partnership with our Chinese friends.

Now I'd be happy to take your questions.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. MANZULLO].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. MANZULLO. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Illinois [Mr. MANZULLO] will be postponed.

The point of no quorum is considered withdrawn.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to the rule, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 24 offered by the gentleman from Wisconsin [Mr. OBEY] and amendment No. 19 offered by the gentleman from Illinois [Mr. MANZULLO].

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MR. OBEY

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 24 offered by the gentleman from Wisconsin [Mr. OBEY] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 334, noes 77, not voting 23, as follows:

[Roll No. 210]

AYES—334

Abercrombie
Ackerman
Andrews
Baesler
Baker (CA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bevill
Bilbray
Bilirakis
Blumenauer
Blute
Boehlert
Boehner
Bonior
Bono
Borski
Boucher
Brewster
Brown (CA)
Brown (OH)
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clay
Clement
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Cramer
Crane
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
Deal
DeFazio
Dellums
Deutsch
Diaz-Balart
Dickey
Dingell
Dixon
Doggett
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fields (LA)
Flanagan
Foglietta
Foley
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frisa
Frost
Funderburk
Furse
Gephardt
Gilchrest
Gillmor
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Hoyer
Hunter
Hutchinson
Inglis
Istook
Jackson (IL)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kildee
Kim
Kingston
Kleczka
Klink
Klug
Kolbe
LaHood
Lantos
Largent
Latham
LaTourette
Leach
Levin
Lewis (GA)
Linder
Lipinski
LoBiondo
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McKeon
McKinney
McNulty
Meehan
Meyers
Mica
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Myrick
Nadler
Neal
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Pallone
Parker
Pastor
Paxon
Payne (VA)
Pelosi
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thurman
Tiahrt
Torkildsen
Torres
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Wamp
Ward
Waters
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Williams
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—77

Archer
Armey
Bachus
Baker (LA)
Beilenson
Bentsen
Bereuter
Berman
Bishop
Bliley
Brown (FL)
Bryant (TX)
Bunn
Callahan
Clayton
Clinger
Clyburn
Coyne
de la Garza
DeLauro
DeLay
Dicks
Dooley
Fazio
Filner
Flake
Forbes
Frelinghuysen
Gejdenson
Gekas
Geren
Gilman
Harman
Hastings (FL)
Hastings (WA)
Houghton
Hyde
Johnson (CT)
Johnson, Sam
Johnston
Kennedy (MA)
Kennelly
King
Knollenberg
LaFalce
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Livingston
Lofgren
Matsui
McDermott
Meek
Menendez
Metcalf
Moran
Morella
Murtha
Nethercutt
Packard
Payne (NJ)
Peterson (FL)
Peterson (MN)
Richardson
Roth
Tauzin
Thornton
Towns
Vucanovich
Walker
Walsh
Watt (NC)
Whitfield
Wicker
Wilson

NOT VOTING—23

Allard
Bonilla
Browder
Chapman
Crapo
Engel
Fields (TX)
Gallegly
Ganske
Gibbons
Greene (UT)
Hayes
Hilliard
Jackson-Lee (TX)
Lincoln
McInnis
McIntosh
Miller (FL)
Myers
Schaefer
Schiff
Tejeda
Torricelli

☐ 1327

The Clerk announced the following pair:

On this vote:

Ms. Jackson-Lee of Texas for, with Mr. Miller of Florida against.

Messrs. RICHARDSON, PAYNE of New Jersey, WHITFIELD, HOUGHTON, and TOWNS changed their vote from ''aye'' to ''no.''

Mrs. MALONEY and Mrs. LOWEY, Messrs. JONES, HANSEN, BURTON of Indiana, HEFLEY, BONO, OLVER, SCOTT, CHRISTENSEN, HORN, RADANOVICH, and MCKEON changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. MANZULLO

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Illinois [Mr. MANZULLO] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 176, noes 236, not voting 22, as follows:

[Roll No. 211]

AYES—176

Andrews
Armey
Bachus
Baker (CA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bilbray
Bilirakis
Blute
Boehlert
Boehner
Brewster
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Calvert
Camp
Campbell
Canady
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Crane
Cremeans
Cubin
Cunningham
Danner
Deal
DeFazio
DeLay
Dickey
Doolittle
Dornan
Dreier
Duncan
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (LA)
Flanagan
Foley
Ford
Fowler
Franks (CT)
Frisa
Funderburk
Ganske
Gekas
Gillmor
Goodlatte
Goss
Graham
Gunderson
Gutierrez
Gutknecht
Hall (TX)
Hancock
Hastert
Hayworth
Hefley
Heineman
Herger
Hilleary
Hoekstra
Hoke
Holden
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson, Sam
Jones
Kasich
Kim
Kingston
Kleczka
Klug
Kolbe
LaHood
Largent
Latham
Linder
Lipinski
LoBiondo
Longley
Lucas
Manzullo
McCollum
McDade
McHale
McHugh
Montgomery
Moorhead
Myrick
Neumann
Ney
Norwood
Nussle
Parker
Paxon
Petri
Pombo
Porter
Poshard
Quillen
Quinn
Radanovich
Ramstad
Riggs
Roemer

Rohrabacher
Ros-Lehtinen
Royce
Salmon
Sanford
Saxton
Scarborough
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tanner
Tauzin
Taylor (MS)
Thornberry
Tiahrt
Traficant
Upton
Visclosky
Walker
Wamp
Weldon (FL)
Weldon (PA)
Weller
Wicker
Young (FL)
Zeliff
Zimmer

NOES—236

Abercrombie
Ackerman
Archer
Baesler
Baker (LA)
Baldacci
Barcia
Barrett (WI)
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bishop
Bliley
Blumenauer
Bonior
Bono
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Callahan
Cardin
Castle
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
Cramer
Cummings
Davis
de la Garza
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dunn
Durbin
Edwards
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Forbes
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Gonzalez
Goodling
Gordon
Green (TX)
Greenwood
Hall (OH)
Hamilton
Hansen
Harman
Hastings (FL)
Hastings (WA)
Hefner
Hinchey
Hobson
Horn
Houghton
Hoyer
Jackson (IL)
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Klink
Knollenberg
LaFalce
Lantos
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Livingston
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCrery
McDermott
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Molinari
Mollohan
Moran
Morella
Murtha
Nadler
Neal
Nethercutt
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Portman
Pryce
Rahall
Rangel
Reed
Regula
Richardson
Rivers
Roberts
Rogers
Rose
Roth
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Smith (WA)
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tate
Taylor (NC)
Thomas
Thompson
Thornton
Thurman
Torkildsen
Torres
Towns
Velazquez
Vento
Volkmer
Vucanovich
Walsh
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
White
Whitfield
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)

NOT VOTING—22

Allard
Bonilla
Browder
Chapman
Crapo
Engel
Fields (TX)
Gallegly
Greene (UT)
Hayes
Hilliard
Jackson-Lee (TX)
Lincoln
McInnis
McIntosh
Miller (FL)
Myers
Schaefer
Schiff
Tejeda
Torricelli
Williams

□ 1337

The Clerk announced the following pair:

On this vote:

Mr. Engel for, with Mr. Miller of Florida against.

Mr. KLUG and Mr. WICKER changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 1997, unless otherwise specified herein, as follows:

AGENCY FOR INTERNATIONAL DEVELOPMENT

CHILD SURVIVAL AND DISEASE PROGRAMS FUND

For necessary expenses to carry out the provisions of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, for child survival, basic education, assistance to combat tropical and other diseases, and related activities, in addition to funds otherwise available for such purposes, $600,000,000, to remain available until expended: *Provided,* That this amount shall be made available for such activities as (1) immunization programs, (2) oral rehydration programs, (3) health and nutrition programs, and related education programs, which address the needs of mothers and children, (4) water and sanitation programs, (5) assistance for displaced and orphaned children, (6) programs for the prevention, treatment, and control of, and research on, tuberculosis, HIV/AIDS, polio, malaria and other diseases, (7) not to exceed $98,000,000 for basic education programs for children, and (8) a contribution on a grant basis to the United Nations Children's Fund (UNICEF) pursuant to section 301 of the Foreign Assistance Act of 1961.

DEVELOPMENT ASSISTANCE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the provisions of sections 103 through 106 and chapter 10 of part I of the Foreign Assistance Act of 1961, $1,150,000,000, to remain available until September 30, 1998: *Provided,* That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: *Provided further,* That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: *Provided further,* That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: *Provided further,* That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export financing, and related programs, the term ''motivate'', as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options: *Provided further,* That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961: *Provided further,* That the total amount of funds appropriated under this heading and under the heading ''Child Survival and Disease Programs Fund'' should be made available for each of the sub-Saharan Africa and Latin America and Caribbean regions in at least the same proportion as the total amount identified in the fiscal year 1997 draft congressional presentation document for development assistance for each such region is to the total amount requested for development assistance for such fiscal year: *Provided further,* That, notwithstanding section 109 of the Foreign Assistance Act of 1961, of the funds appropriated under this heading not to exceed a total of $12,000,000 may be transferred to ''Debt restructuring'', and that any such transfer of funds shall be subject to the regular notification procedures of the Committees on Appropriations.

PRIVATE AND VOLUNTARY ORGANIZATIONS

None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 per centum of its total annual funding for international activities from sources other than the United States Government: *Provided,* That the requirements of the provisions of section 123(g) of the Foreign Assistance Act of 1961 and the provisions on private and voluntary organizations in title II of the ''Foreign Assistance and Related Programs Appropriations Act, 1985'' (as enacted in Public Law 98–473) shall be superseded by the provisions of this section, except that the authority contained in the last sentence of section 123(g) may be exercised by the Administrator with regard to the requirements of this paragraph.

Funds appropriated or otherwise made available under title II of this Act should be made available to private and voluntary organizations at a level which is equivalent to the level provided in fiscal year 1995. Such private and voluntary organizations shall include those which operate on a not-for-profit basis, receive contributions from private sources, receive voluntary support from the public and are deemed to be among the most cost-effective and successful providers of development assistance.

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, $190,000,000, to remain available until expended.

DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and loan guarantees,

as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts, through debt buybacks and swaps, owed to the United States as a result of concessional loans made to eligible Latin American and Caribbean countries, pursuant to part IV of the Foreign Assistance Act of 1961, $10,000,000, to remain available until expended: *Provided,* That none of the funds appropriated under this heading shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT

For the cost of direct loans and loan guarantees, $1,500,000, as authorized by section 108 of the Foreign Assistance Act of 1961, as amended: *Provided,* That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further,* That guarantees of loans made under this heading in support of microenterprise activities may guarantee up to 70 percent of the principal amount of any such loans notwithstanding section 108 of the Foreign Assistance Act of 1961. In addition, for administrative expenses to carry out programs under this heading, $500,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: *Provided further,* That funds made available under this heading shall remain available until September 30, 1998.

HOUSING GUARANTY PROGRAM ACCOUNT

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of guaranteed loans authorized by sections 221 and 222 of the Foreign Assistance Act of 1961, $500,000, to remain available until September 30, 1998: *Provided,* That these funds are available to subsidize loan principal, 100 percent of which shall be guaranteed, pursuant to the authority of such sections. In addition, for administrative expenses to carry out guaranteed loan programs, $6,000,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: *Provided further,* That commitments to guarantee loans under this heading may be entered into notwithstanding the second and third sentences of section 222(a) and, with regard to programs for the benefit of South Africans disadvantaged by apartheid, section 223(j) of the Foreign Assistance Act of 1961: *Provided further,* That funds appropriated under this heading for the cost of guaranteed loans may be made available for obligation only for activities in South Africa.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the ''Foreign Service Retirement and Disability Fund'', as authorized by the Foreign Service Act of 1980, $43,826,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, $465,750,000: *Provided,* That of this amount not more than $1,475,000 may be made available to pay for printing costs: *Provided further,* That none of the funds appropriated by this Act for programs administered by the Agency for International Development (AID) may be used to finance printing costs of any report or study (except feasibility, design, or evaluation reports or studies) in excess of $25,000 without the approval of the Administrator of the Agency or the Administrator's designee: *Provided further,* That funds appropriated or otherwise made available by this Act may be made available for expenses necessary to relocate the Agency for International Development, or any part of that agency, to the building at the Federal Triangle in Washington, District of Columbia, only pursuant to an authorization of appropriations for such purpose or upon a written certification and report to the Committees on Appropriations by the Director of the Office of Management and Budget that such relocation will result in savings to the United States Government compared to other alternatives to such relocation.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, $30,000,000, to remain available until September 30, 1998, which sum shall be available for the Office of the Inspector General of the Agency for International Development.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, $2,336,000,000, to remain available until September 30, 1998: *Provided,* That any funds appropriated under this heading that are made available for Israel shall be available on a grant basis as a cash transfer and shall be disbursed within thirty days of enactment of this Act or by October 31, 1996, whichever is later: *Provided further,* That none of the funds appropriated under this heading shall be made available for Zaire.

INTERNATIONAL FUND FOR IRELAND

For necessary expenses to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, $19,600,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99–415): *Provided,* That such amount shall be expended at the minimum rate necessary to make timely payment for projects and activities: *Provided further,* That funds made available under this heading shall remain available until September 30, 1998.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, $475,000,000, to remain available until September 30, 1998, which shall be available, notwithstanding any other provision of law, for economic assistance and for related programs for Eastern Europe and the Baltic States.

(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(c) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

(d) None of the funds appropriated under this heading may be made available for new housing construction or repair or reconstruction of existing housing in Bosnia and Herzegovina unless directly related to the efforts of United States troops to promote peace in said country.

(e) With regard to funds appropriated or otherwise made available under this heading for the economic revitalization program in Bosnia and Herzegovina, and local currencies generated by such funds (including the conversion of funds appropriated under this heading into currency used by Bosnia and Herzegovina as local currency and local currency returned or repaid under such program)—

(1) the Administrator of the Agency for International Development shall provide written approval for grants and loans prior to the obligation and expenditure of funds for such purposes, and prior to the use of funds that have been returned or repaid to any lending facility or grantee; and

(2) the provisions of section 531 of this Act shall apply.

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapter 11 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the new independent states of the former Soviet Union and for related programs, $590,000,000, to remain available until September 30, 1998: *Provided,* That the provisions of section 498B(j) of the Foreign Assistance Act of 1961 shall apply to funds appropriated by this paragraph.

(b) None of the funds appropriated under this heading shall be transferred to the Government of Russia—

(1) unless that Government is making progress in implementing comprehensive economic reforms based on market principles, private ownership, negotiating repayment of commercial debt, respect for commercial contracts, and equitable treatment of foreign private investment; and

(2) if that Government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures.

(c) Funds may be furnished without regard to subsection (b) if the President determines that to do so is in the national interest.

(d) None of the funds appropriated under this heading shall be made available to any government of the new independent states of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other new independent state, such as those violations included in the Helsinki Final Act: *Provided,* That such funds may be made available without regard to the restriction in this subsection if the President determines and reports to the Committees on Appropriations that to do so is in the national security interest of the United States: *Provided further,* That the restriction of this subsection shall not apply to the use of such funds for the provision of assistance for purposes of humanitarian, disaster and refugee relief.

(e) None of the funds appropriated under this heading for the new independent states of the former Soviet Union shall be made available for any state to enhance its military capability: *Provided,* That this restriction does not apply to demilitarization or nonproliferation programs.

(f) Funds appropriated under this heading shall be subject to the regular notification procedures of the Committees on Appropriations.

(g) Funds made available in this Act for assistance to the new independent states of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.

(h) Funds appropriated under this heading may be made available for assistance for Mongolia.

(i) Funds made available in this Act for assistance to the new independent states of the former Soviet Union shall be provided to the maximum extent feasible through the private sector, including small- and medium-size businesses, entrepreneurs, and others with indigenous private enterprises in the region, intermediary development organizations committed to private enterprise, and private voluntary organizations: *Provided,* That grantees and contractors should, to the maximum extent possible, place in key staff positions specialists with prior on the ground expertise in the region of activity and fluency in one of the local languages.

(j) In issuing new task orders, entering into contracts, or making grants, with funds appropriated under this heading or in prior appropriations Acts, for projects or activities that have as one of their primary purposes the fostering of private sector development, the Coordinator for United States Assistance to the New Independent States and the implementing agency shall encourage the participation of and give significant weight to contractors and grantees who propose investing a significant amount of their own resources (including volunteer services and in-kind contributions) in such projects and activities.

(k)(1) None of the funds appropriated under this heading may be made available for Russia unless the President determines and certifies in writing to the Committees on Appropriations that the Government of Russia has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor or related nuclear research facilities or programs.

(2) Subparagraph (1) shall not apply if the President determines and reports to the Committees on Appropriations that making such funds available is important to the national security interest of the United States. Any such determination shall cease to be effective six months after being made unless the President determines that its continuation is important to the national security interest of the United States.

(l) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the disbursement of such funds by the Fund for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(m)(1) Notwithstanding section 907 of the FREEDOM Support Act or any other provision of law, nongovernmental organizations and private voluntary organizations shall not be precluded from using facilities or vehicles of the Government of Azerbaijan to provide humanitarian assistance to refugees and internally displaced persons in Azerbaijan with funds made available under this heading, or from using such assistance to make necessary repairs to such facilities (such as health clinics and housing) or vehicles that are used to provide the assistance.

(2) Humanitarian assistance may be provided with funds made available under this heading to refugees and internally displaced persons in Azerbaijan only if humanitarian assistance is also provided to refugees and internally displaced persons in Nagorno-Karabagh with funds made available under this heading, in accordance with paragraph (3).

(3) Humanitarian assistance may be provided with funds made available under this heading to refugees and internally displaced persons in Azerbaijan and Nagorno-Karabagh only in the proportion that the number of refugees and internally displaced persons in Azerbaijan and Nagorno-Karabagh, respectively, bears to the total number of refugees and internally displaced persons in both Azerbaijan and Nagorno-Karabagh, but in no case more than $7 to Azerbaijan for every dollar to Nagorno-Karabagh.

INDEPENDENT AGENCIES

AFRICAN DEVELOPMENT FOUNDATION

For necessary expenses to carry out the provisions of title V of the International Security and Development Cooperation Act of 1980, Public Law 96–533, and to make such contracts and commitments without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, $11,500,000: *Provided,* That when, with the permission of the President of the Foundation, funds made available to a grantee are invested pending disbursement, the resulting interest is not required to be deposited in the United States Treasury if the grantee uses the resulting interest for the purpose for which the grant was made: *Provided further,* That this provision applies with respect to both interest earned before and interest earned after the enactment of this provision: *Provided further,* That notwithstanding section 505(a)(2) of the African Development Foundation Act, in exceptional circumstances the board of directors of the Foundation may waive the $250,000 limitation contained in that section with respect to a project: *Provided further,* That the Foundation shall provide a report to the Committees on Appropriations after each time such waiver authority is exercised.

INTER-AMERICAN FOUNDATION

For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, and to make such contracts and commitments without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, $20,000,000.

PEACE CORPS

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), $212,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: *Provided,* That none of the funds appropriated under this heading shall be used to pay for abortions: *Provided further,* That funds appropriated under this heading shall remain available until September 30, 1998.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL

For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961, $150,000,000: *Provided,* That during fiscal year 1997, the Department of State may also use the authority of section 608 of the Act, without regard to its restrictions, to receive non-lethal excess property from an agency of the United States Government for the purpose of providing it to a foreign country under chapter 8 of part I of that Act subject to the regular notification procedures of the Committees on Appropriations.

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, $650,000,000: *Provided,* That not more than $12,000,000 shall be available for administrative expenses: *Provided further,* That obligations of funds to the United Nations High Commissioner for Refugees for support of refugees from Rwanda shall be subject to the regular notification procedures of the Committees on Appropriations.

REFUGEE RESETTLEMENT ASSISTANCE

For necessary expenses for the targeted assistance program authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 and administered by the Office of Refugee Resettlement of the Department of Health and Human Services, in addition to amounts otherwise available for such purposes, $5,000,000.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), $50,000,000, to remain available until expended: *Provided,* That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Act which would limit the amount of funds which could be appropriated for this purpose.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For necessary expenses for nonproliferation, anti-terrorism and related programs and activities, $135,000,000, to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, section 504 of the FREEDOM Support Act for the Nonproliferation and Disarmanent Fund, section 23 of the Arms Export Control Act for demining activities, notwithstanding any other provision of law, including activities implemented through nongovernmental and international organizations, section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy Agency (IAEA) and a voluntary contribution to the Korean Peninsula Energy Development Organization (KEDO), and for the acquisition and provision of goods and services, or for grants to Israel necessary to support the eradication of terrorism in and around Israel: *Provided,* That of this amount not to exceed $15,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to nonproliferation and disarmament: *Provided further,* That such funds may also be used for such countries other than the new independent states of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: *Provided further,* That such funds shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further,* That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the

Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: *Provided further,* That not to exceed $13,000,000 may be made available to the Korean Peninsula Energy Development Organization (KEDO) only for administrative expenses and heavy fuel oil costs associated with the Agreed Framework: *Provided further,* That such funds shall be subject to the regular notification procedures of the Committees on Appropriations.

POINT OF ORDER

The CHAIRMAN. Are there any points of order to title II?

Mr. GILMAN. Mr. Chairman, under House Resolution 445, I make a point of order that the language in the bill contained on page 9, line 12, beginning with '': Provided'' through ''Appropriations'' on line 18, and beginning with '': Provided'' on page 13, line 20 through ''relocation'' on page 14, line 5 fails to comply with clause 2 of rule XXI.

The CHAIRMAN. Does the gentleman from Alabama wish to speak to the point of order?

Mr. CALLAHAN. Mr. Chairman, I wish to speak on the point of order.

The administration proposed a total of $22 million for debt relief for the poorest countries in Latin America and in Africa for 1997, an increase of $12 million over the 1996 level.

The committee proposed discretionary transfer authority in an attempt to allow the administration the flexibility to fund the full request without adding an additional $12 million to the bill. The transfer would specifically benefit Africa.

As the gentleman may know, the Ivory Coast would be the primary recipient of funds for debt restructuring. The effect of the gentleman's point of order is to deny funds for Africa's debt restructuring. I think this is unfortunate, however, I am certainly not going to stand in his way if he does not want to respond to a creative attempt to provide debt relief for the poorest nations of Africa and Latin America, and I concede the point of order.

The CHAIRMAN. Does the gentleman from Texas wish to be heard on the point of order?

Mr. WILSON. Mr. Chairman, I do.

Mr. Chairman, by making this point of order, the gentleman will remove from the bill any language providing any guidance on AID's proposed move to the Ronald Reagan Building. The committee had included language requiring that OMB certify that AID's proposed move to the Ronald Reagan Building is the most cost effective to the Government.

Now, I find it hard to believe that my friend from New York wants, for some procedural pique, to insist on this point of order, thereby removing any requirement that Congress be assured that this move is the most cost effective option for the Government. This just makes good common sense, and I cannot understand the gentleman's objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York.

Mr. GILMAN. Mr. Chairman, on these points of order, I would say that I support their general intent but insist that they be considered by the authorizing committee. I have tentatively scheduled a markup of foreign assistance language in our committee next week, June 13. If the members of the administration want the provisions struck under this point of order to move, I would encourage them to propose language in the international relations markup that has been scheduled.

Under these points of order we strike debt restructuring language and language restrictions to AID's move to its new headquarters. If Members want debt restructuring or want to restrict AID's move, then I invite them to come to our Committee on International Relations to make their case.

The CHAIRMAN. The points of order are conceded and sustained. The cited provisions are stricken from the bill.

Are there any amendments to title II?

AMENDMENT OFFERED BY MR. PAYNE OF NEW JERSEY

Mr. PAYNE of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PAYNE of New Jersey: Page 7, line 4, after ''$600,000,000'' insert ''(decreased by $118,000,000)''.

Page 7, line 21, strike ''and chapter 10 of part I''.

Page 7, line 22, after ''$1,150,000,000'' insert ''(decreased by $586,000,000)''.

Page 9, after line 18, insert the following:

DEVELOPMENT FUND FOR AFRICA

For necessary expenses to carry out the provisions of chapter 10 of part I of the Foreign Assistance Act of 1961, $704,000,000, to remain available until September 30, 1998.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. A point of order is reserved.

Mr. PAYNE of New Jersey. Mr. Chairman, I rise today in support of the development fund for Africa, DFA I will refer to it. My amendment to H.R. 3540, the 1997 Foreign Operations Bill, will aid in keeping humanitarian assistance in Africa.

As my colleagues know, the fiscal year 1996 foreign operations bill for DEA was very troubling. This made deep cuts in the development assistance and created an international development assistance account that all worldwide development programs must draw from.

□ 1345

The creation of this development account means the elimination of the Development Fund for Africa. The DFA is now in its 10th year. It is a very important factor in African development and has led the way in areas of democratization, poverty elimination, health, and economic development.

Congress recognized the uniqueness of the continent's development challenges in establishing the DFA in 1987. This bipartisan effort reflected the conviction that the United States has clear national interest in promoting broad-based sustainable development in Africa.

We must recognize that sub-Saharan African nations face unique development challenges in that there are problems in southern Sudan, Liberia, and Somalia and other countries in Sub-Saharan Africa.

DFA's programs are doing what Americans think is the right thing to do with foreign aid. It is saving children's lives. It is fighting deadly diseases. It is conquering hunger and creating jobs and teaching people basic skills so that they can take care of themselves, so they can more away from aid, so that they can build democracies and promote stability.

Africa faces the greatest development challenges of any other region in the world. Average GNP per capita in Latin America is five times greater than Africa. Africa's infant mortality and child mortality rates are two to three times greater than what it is in Latin America and in Asia. In many ways Africa is about 25 years behind Asia and Latin America. They have benefited from the decades of sustained American assistance in Asia and Latin America. Now we say it is Africa's time to benefit.

A separate DFA appropriations will help us stay the course and continue to have successful, high impact programs which prevent crises and promote sustainable development.

The $704 million requested for the DFA will be concentrated in those countries which are committed to sound economic policies and good democratic governance.

I fiscal year 1996, the DFA received approximately $675 million from the total development assistance, and in fiscal year 1995 we received $804 million. This amendment that I have before the House today will help keep DFA at funding levels sufficient to foster development. Disaproportionate or serve cuts will undermine the purpose.

It is in the U.S. national interest to assist African nations. this account suffered deep cuts in fiscal year 1996 when the DFA line item was eliminated.

Instead, Africa aid was folded into a common development assistance fund, and funding was substantially reduced by more than $125 million to a level of $675 million. It is even more vital that funding levels remain consistent with demands to advance U.S. interests in Africa.

I ask that Africa not be forgotten and, in Congress' effort to reprioritize America's AID spending, that Africa remain in the forefront.

During the cold war, the United States stayed engaged in Africa to fight off the threat of communism. The cold war is over now, and now we have a chance to help Africa eradicate the problems of health care, eradicate illiteracy, eradicate AIDS, fight disease, and continue to move to democratization.

Please support this. It is good for everyone. It is good for Africa. It is good for the world. I would urge support of my amendment.

Mr. CALLAHAN. Mr. Chairman, I further reserve my point of order.

The CHAIRMAN. The gentleman from Alabama [Mr. CALLAHAN] further reserves a point of order.

Mr. HASTINGS of Florida. Mr. Chairman, I move to strike the last word.

Mr. Chairman, actually, I was prepared to offer an amendment that does the same thing that the Payne amendment does, with the exception of the funding structure changes, the amendment that I have proposed to offer but am prepared to withdraw at this time. I would offer to give this body an opportunity, as the gentleman from New Jersey [Mr. PAYNE] has, to show its support for development programs in Africa by restoring the development fund for the Africa line item.

I am fully supportive of Mr. PAYNE'S amendment and even more many appreciative of the extraordinary work done by the committee and specifically by the chairman in doing creative things to try to protect the Africa account.

I need not explain why much of the continent of Africa needs our expertise. Africa has special development needs. The continent has a unique combination of war-related, humanitarian requirements and traditional sustainable development needs.

Africa continues to be one of the world's greatest development challenges. The Development Fund for Africa has proven to be an effective mechanism in providing foreign assistance to Africa. Its flexibility and orientation toward establishing measurable results puts the DFA on the cutting edge of the U.S. foreign assistance mechanisms.

Actually, the gentleman from New York [Mr. HOUGHTON] was prepared to offer this amendment with me. It does not increase in our view the spending levels in this bill. As a matter of fact, it had basically the same development structure and the same assumptions for Africa which are found in the fiscal year 1977 appropriations bill. The difference is that the amendment, had I offered it, would have reestablished the line item for the DFA which was deleted last year.

Mr. Chairman, the Payne amendment and the one that I have proposed to offer have great symbolic and real significance. They show the people of Africa that the United States supports development programs rather than respond to emergencies or provide direct financial aid. We are saying that we are determined to teach them to help themselves.

This short-term investment, as requested by Mr. PAYNE, will reap many stable prosperous trading partners for American businesses. That is all that I would say, Mr. Chairman.

Mr. Chairman, I withdraw the proposed amendment that I was going to offer. I offer support for Mr. PAYNE's amendment and thank the chairman of the committee for, as I said earlier, the extraordinary work that he and the committee have done. I hope to continue to work with him in efforts to ensure that the accounts with reference to Africa are protected to the extent that our budget will permit.

Mr. CALLAHAN. Mr. Chairman, I move to strike the last word.

I agree that assistance to Africa is important. That is why I recommended authority to allow the administration to forgive government debt owned to the United States by the Ivory Coast. However, the authorizing committee chairman objected to this language and struck it from the bill.

Over 41 percent of the development assistance funds would go to Africa under both the President's budget request and under the committee recommendation. In contrast, only 17.5 percent would go to Latin America and to the Caribbean. I would like more money for Latin America, but we have included bill language that states that the President should provide development assistance for Africa and for Latin America in the same proportion as was requested by the President. The language is similar to that included in the 1996 appropriations act.

Again, the bill language did not absolutely mandate that funding for sub-Saharan Africa be protected, but the administration followed congressional intent and did not disproportionately reduce funding for Africa.

The committee went out of its way this year to protect development assistance; the cut from 1996 is only $25 million. The committee decided that the nearly 25 percent reduction in development assistance from 1995 to 1996 was a sufficient contribution to deficit reduction for the time being.

Mrs. CLAYTON. Mr. Chairman, I rise today in support of the Payne amendment to H.R. 3540, the foreign operations appropriations bill. This amendment recognizes the critical role played by United States development assistance to Africa in the tremendous political and economic transformations sweeping across the continent. Since 1987, the Development Fund for Africa has promoted well focused, broad-based, and sustainable economic policies that have prevented poor conditions from worsening and contributed to the growth of democracy on the African continent.

Across Africa, Mr. Chairman, USAID's funding for small enterprise credit, business advisory services, and entrepreneurial training, combined with support for economic policy and financial sector reforms, are creating new jobs and expanding income for poor Africans, encouraging private investment to fuel growth, and building new markets for American exports.

Mr. Chairman, it strikes me as strange that, while many of us publicly proclaim our support for emerging democracies throughout the world and express our strong opposition to militaristic regimes engaged in humanitarian abuses, today this body is considering a bill which eliminates the separate line item account for the Development Fund for Africa. Instead, preferring to lump African development assistance with the general development assistance fund.

Mr. Chairman, I believe that this is a very serious mistake and sends a powerful message to struggling democracies in Africa, that despite the many unique problems facing Africa, the United States no longer considers them as distinct and different from those facing third world countries on any other continent. If we are sincere, Mr. Speaker, in our efforts to promote the growth and development of the fledgling democracies in Africa, we should not pass H.R. 3540 without the separate line item account established by the Payne amendment.

The Development Fund for Africa has been a positive force in working to transform Africa. I ask my colleagues to vote in favor of democratic movements in Africa by supporting the Payne amendment.

POINT OF ORDER

Mr. CALLAHAN. Mr. Chairman, I make a point of order against the amendment because it provides an appropriation for an unauthorized program and, therefore, violates clause 2 of rule XXI. Clause 2 of rule XXI states, in pertinent part, no appropriation shall be reported in any general appropriation bill or be in order as an amendment thereto for any expenditure not previously authorized by law.

Mr. Chairman, the authorization for this program has not been signed into law. The amendment, therefore, violates clause 2 of rule XXI, and I ask for a ruling of the Chair.

The CHAIRMAN. Does the gentleman from New Jersey [Mr. PAYNE] wish to be heard on the point of order?

Mr. PAYNE of New Jersey. Mr. Chairman, I think that it is very important that we have the Development Fund for Africa first of all in a line item. For 10 years we have seen the development of success in Africa. We have seen countries that were under Communist domination like Benin and Ghana under military domination come to democratization. We have seen elections in Malawi and in Zambia and South Africa and Namibia, all with development funds that went to push our goal of democratization.

We have seen child survival and education. We have seen illiteracy also on the downward trend. So I believe that to have the Development Fund for Africa, the $704 million earmarked, too. As we know, there are over 600 million people in sub-Saharan Africa. It comes to a little more than $1.10 per person. We have seen funds for countries where we have $5 billion for a population of 50 million people, 55 million people. It is a total disproportion of where the need is greatest. We believe that the need to have this 704, to have the Development

Fund for Africa as an item in the budget is something that is extremely important. I wish that the gentleman would reconsider his point of order.

The CHAIRMAN. The Chair is prepared to rule on the point of order.

Appropriations for the Development Fund for Africa for fiscal year 1997 are not currently authorized by law. Although such appropriations may be part of a longer lump sum amount in the bill and have been permitted to remain in the bill under House Resolution 445, the amendment does not merely perfect the unauthorized amount that has been permitted to remain. Instead, the amendment offered by the gentleman from New Jersey discretely restates the appropriation as a separate account.

As such, the amendment proposes an unauthorized appropriation in violation of clause 2(a) of rule XXI.

The point of order is sustained.

The CHAIRMAN. Are there further amendments to title II?

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BURTON of Indiana: Page 7, line 22, after the dollar amount, insert the following: ''(reduced by $144,000,000)''.

Mr. BURTON of Indiana. Mr. Chairman, in the area of development aid, the Clinton administration asked for $1.6 billion in developmental aid for fiscal year 1997. The committee recommendation is for $1.150 billion, or $144 million more than what the administration requested. It seems to me that that is excessive. We have a lot of areas where we believe that AID has abused or been very excessive in spending money that was not necessary. I would like to give just a few examples.

In El Salvador, AID-sponsored economists organized a socialistic land reform program in the early 1980's that nationalized land holdings, banks, and private export companies. After the United States had spent billions of dollars in El Salvador, former President Cristiani of El Salvador said that millions of dollars would be needed just to correct the damage done by United States assistance in nationalizing the economy.

In other words, he is saying, because of the socialistic policies that were put forth by AID in giving the billions of dollars and dictating where the money was going to go when a democratic administration came in under Mr. Cristiani, he said it was going to take millions just to correct the damage done by the United States assistance that was given by AID.

In Nicaragua, after the Sandinistas lost the 1990 election, more than $1 billion in direct and indirect United States aid flooded Nicaragua. Hundreds of millions of U.S. dollars, taxpayers' dollars, were lost bailing out a corrupt banking system largely controlled by the Communist Sandinista bureaucrats and loan officers. Even today this fiasco threatens Nicaragua's democracy.

□ 1400

In the 1980's AID spent $7 million to create a 1,000-acre farm in Burundi in Africa to raise improved corn seed varieties. This farm cost the American taxpayers $7,000 an acre, which is a outrageous price to pay for land in that area. The project was a disaster because AID located the farm near the President of Burundi's home village, even though this was an area of the country where the soil conditions were not conducive to growing corn.

AID was simply trying to placate the President's desire to have a fancy foreign aid project in his home village. It turned out that there were never any improved varieties of corn seed to be grown in Burundi because the ag research had never been done.

AID is on a spending orgy. It needs to be stopped, and I call on my colleagues to support this amendment.

We are not cutting AID below what the administration itself asked. President Clinton asked for $1,006,000,000. This bill appropriates $1,150,000,000, $144 million above what the President has asked for. It is excessive, it should be cut, and I hope my colleagues will support my amendment.

Mr. CALLAHAN. Mr. Chairman, I rise in opposition to the Burton amendment.

I respect the gentleman's knowledge of international affairs and his service on the Committee on International Relations. However, this subcommittee has gone through a very difficult task. We have gone through the hearings, we have listened to the agencies that have come to us, we have listened to the dozens of Members of Congress who have come to us and requested information on child survival, disease programs, on micro enterprise programs, agricultural research. The committee has cut development assistance funding by 25 percent over the past 2 years. This year we are $63 million below the President and $25 million below 1996 levels.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Now I do not understand what the gentleman is saying there. He is saying that he is below the President's request.

I got the President's request for developmental assistance here in front of me, and it says $1,006,000,000, and the gentleman has got $1,150,000,000 in the bill.

Mr. CALLAHAN. Well, we have a separate account for child survival.

Mr. BURTON of Indian. Well, I am talking about developmental assistance alone, and that is where the $144 million comes from.

Mr. CALLAHAN. Well, in any event, even though if we take out development assistance, child survival, then we are still $63 million below the President's request and $25 million below the 1996 level.

Mr. BURTON of Indiana. If the gentleman will yield, if he can clarify something for me?

The child survival fund; is that not a separate fund from developmental assistance?

Mr. CALLAHAN. That is correct. The $600 million for child survival that we reinserted in the bill this year——

Mr. BURTON of Indiana. What I am talking, if the gentleman would yield further, what I am talking about is cutting developmental assistance alone, not talking about child survival. Leaving that account aside, I am talking about cutting the development aid down to what the administration requested, and, if the gentleman will look on page 13 of the bill itself, it shows that the fiscal year 1996 level, it shows the fiscal year 1997 request and the administration, and it shows the committee recommendation, and the committee recommendation is $144 million above what the President and the administration requested. And I am not talking about the child survival account. And what I am trying to do is cut the $144 million in excess of what the President wanted out of the bill.

Mr. CALLAHAN. Well, I think the gentleman is going to have to look at both accounts because the amount recommended, the gentleman from Indiana is right, is $144 million more than the amount requested by the administration, but $525 million less than the amount provided in the fiscal year 1996.

So I think we have to look at the development assistance fund, the child survival fund, and the African fund if we do not have those in there. So I think that we have to look at, if we want to compare cuts, we have to look at all three of the funds that we are talking about.

Mr. BURTON of Indiana. Maybe the gentleman can explain to me what it says on page 13 near the bottom of the page in the bill. Says development assistance. It gives a fiscal year 1996 level. It gives the gentleman's request or the President's request, and it gives the committee recommendation.

I would presume, if there is any additional child developmental assistance, it would be included in all of those figures.

Now, above that there is a displaced children program which is $10 million, but that does not seem to be a part of the developmental assistance.

Mr. CALLAHAN. Well, I think what we are saying, and I think if the gentleman from Indiana will go further on to the bottom of the page to the last line, it says, however, a different mix of programming was provided in 1996 and in budget requests, which partially explains the disparity in the funding levels.

I can only assure the gentleman of one fact, that if we include all of the funds, then we are $63 million below

the President's request and $25 million below the 1996 level, if we include all of the funds that we appropriated in 1996 and that were changed and merged in 1997——

Mr. BURTON of Indiana. If the gentleman would yield further, on page 12 it lists child survival, nonchild diseases, children's basic education and a grant to UNICEF, and that is a total of $600 million, and the child survival in Egypt ESF and disaster assistance is $55 million.

Those are separate accounts, as I understand it. That is not part of the development assistance. That is a separate account; am I not correct?

Mr. CALLAHAN. That is right, but we——

Mr. BURTON of Indiana. Well, if that is a separate——

Mr. CALLAHAN. We do not have a separate fund though for Africa.

Mr. BURTON of Indiana. But if that is a separate account, then why is it——

The CHAIRMAN. The time of the gentleman from Alabama [Mr. CALLAHAN] has expired.

(On request of Mr. BURTON of Indiana, and by unanimous consent, Mr. CALLAHAN was allowed to proceed for 2 additional minutes.)

Mr. CALLAHAN. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, if the gentleman will yield further, what I am trying to figure out here, and I believe I am correct, the development assistance account, which I am trying to cut by $144 million, is separate from the child survival, nonchild diseases, children basic education and the grant to UNICEF. Those are separate accounts, and what I am trying to cut is the development assistance to the tune of $144 million, which brings it down to the administration's request.

Mr. CALLAHAN. Well, the development fund for Africa was requested at $704 million. I know where the gentleman from Indiana is coming from, but my point to him, that if we take into consideration what we passed in 1996 for this current fiscal year and what we passed in this bill for 1997, that it is $63 million below the President's request and $25 million below the 1996 level.

Now, we have changed the structure of the account. If we just take one of them, we might be able to find a $144 million discrepancy, but if we take all of the funds and all of the appropriations and weigh them against last year, then we are at $25 million below the 1996 level.

Mr. BURTON of Indiana. If the gentleman would yield further, let me just say this.

I do not have any problem with the money going for child survival. What I am talking about is the development assistance, and the development assistance, according to the gentleman's bill, is $144 million above what the administration asked for in that one area. It is $144 million above what the administration requested. That is what I want to cut.

Mr. CALLAHAN. Well, that might be true, but then we are $704 million below the development fund for Africa, and we have included in the development fund African money. So I think I know where the gentleman from Indiana is coming from, but I think that we are taking two parts of the bill and we must take three parts of it. If we total up all of the accounts——

The CHAIRMAN. The time of the gentleman from Alabama [Mr. CALLAHAN] has expired.

(On request of Mr. BURTON of Indiana, and by unanimous consent, Mr. CALLAHAN was allowed to proceed for 2 additional minutes.)

Mr. CALLAHAN. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. If the gentleman would yield further, the money is in those other accounts to be spent. We have got it in the bill in these other sections. I am talking about the developmental assistance. The developmental assistance, the administration is asking for $1,006,000,000. The gentleman from Alabama has got $1,150,000,000, and I am trying to cut out that excess of $144 million for development assistance alone.

As my colleagues know, with all due respect to my colleague——

Mr. CALLAHAN. I will be happy to get with the gentleman and go through the bill.

Mr. BURTON of Indiana. In that one category it is $144 million above what the administration requested. Tell me what is in the bill. There it is.

Mr. CALLAHAN. We are in the same category, but we have put more things in that category, and we have taken some of the categories and rearranged them.

Mr. BURTON of Indiana. So what the gentleman from Alabama is saying is the administration——

Mr. CALLAHAN. We have to look at the bottom line. We have readjusted the accounts. If we look at the bottom line for all of the funds for USAID, then we are $63 million below the President's request and $25 billion below the 1996 level. If we include everything in there, if we are going to take one section and try to say that this one is higher, that might be right. But then we have to take into consideration another section, which is more than $125 million lower.

Mr. BURTON of Indiana. Well, the administration for this particular area asked for $1,006,000,000. Did they not include those other things the gentleman from Alabama wanted in there? Is that what the gentleman is saying? The administration in that $1,006,000,000 did not include the other things? Because the gentleman got $144 million more than the administration wanted, and what he is saying is that he has added other things into that account. Well, did the administration not add other things into that account, child survival account?

Mr. CALLAHAN. I am just simply saying the committee moves funding for child survival activities and disease prevention funds from this account to a new account, child survival and disease program.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. CALLAHAN] has expired.

(On request of Mr. BURTON of Indiana, and by unanimous consent, Mr. CALLAHAN was allowed to proceed for 2 additional minutes.)

Mr. CALLAHAN. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I want to really get to the bottom of this.

If the gentleman would yield further, the point I am trying to make is when the administration made its request, they obviously folded into this account all the things the gentleman is talking about. What he is saying is that they did not fold in some of these things he is talking about, and that is why he is $144 million higher. That does not make sense to me when I look at the bill.

Mr. CALLAHAN. Not for Africa, and that is what the gentleman is leaving out.

Mr. BURTON of Indiana. So the administration did not put Africa into that $1,006,000,000.

Mr. CALLAHAN. That is correct.

Mr. BURTON of Indiana. Why did they do that?

Mr. CALLAHAN. I do not know. The gentleman will have to ask the administration. That is a separate account.

But the bottom line is, if the gentleman totals all of the columns, we are $25 million below 1996. That is the bottom line.

As to explaining the difference in the three funds and the shifting of the child survival account, which was not included in the President's request, and the African fund which was left out, then the net effect is that we are $63 million below what the President requested and $25 million below the 1996 level.

The gentleman from Indiana ought to know full well that I am not going to increase the President's request on anything. I am cutting the President's request by a billion dollars in this bill.

Mr. BURTON of Indiana. If the gentleman would yield further, let me just say this.

The bill is very confusing, if the gentleman is accurate, and I think that to present this to the Congress when we are trying to go through and save the taxpayers' money, and I have great respect for my colleague; when he gets something that shows $144 million increase and he is saying——

Mr. CALLAHAN. Reclaiming my time, the gentleman is going to have to take my word for it, and I will assure him that this measure he is talking about is $63 million below the President's request and $25 million under the 1996 legislation.

So, as my colleagues know, I know that the gentleman would like to discuss——

The CHAIRMAN. The time of the gentleman from Alabama [Mr. CALLAHAN] has expired.

(On request of Mr. BURTON of Indiana, and by unanimous consent, Mr. CALLAHAN was allowed to proceed for 1 additional minute.)

Mr. CALLAHAN. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. If the gentleman will yield, let me just say this.

I do not know how anybody in this body that is trying to follow expenditures can look at this and understand it, and I think that the staff should be very careful when they put these kinds of figures in here because if we look at it on its surface, it looks like we have increased the administration's request by $144 million.

Well, it is very clear. Look at the bottom of page 13. Now, how are we, as colleagues of the gentleman's who do not have the privilege of serving on the Committee on Appropriations, supposed to understand that he folded other things in there and the administration has not?

Mr. CALLAHAN. Let me refer the gentleman from Indiana to page 23, where it says that the fiscal year request for the development fund for Africa, the President requested $704 million. He did not request any money for child survival. We eliminated the $704 million development fund for Africa, and we instituted $600 million for child survival, $104 million less——

The CHAIRMAN. The time of the gentleman from Alabama [Mr. CALLAHAN] has again expired.

Mr. HASTINGS of Florida. Mr. Chairman, I move to strike the last word, and I would like to engage my colleague from Indiana, Mr. BURTON, in just a very brief colloquy and follow up on what has been discussed with him and the chairman.

The development assistance fund cuts that the gentleman from Indiana [Mr. BURTON] proposes of $144 million, can he tell me in his opinion how that would be offset?

My belief is, based on what the gentleman from Alabama is saying, is that it will come out of the Africa account.

□ 1415

Does the gentleman dispute that, or does he not care?

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS of Florida. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, the whole premise of my argument is this: The administration, the President of the United States and his administration, asked for 1 billion, 6 million dollars for development assistance. This bill, according to the way I read it, has 1 billion, 150 million dollars, or $144 million more than what the President requests.

Mr. Chairman, I have confidence in this particular area that the President has evaluated where the money should go, in Africa and elsewhere, and has come to the conclusion that 1 billion, 6 million dollars is enough, and I think $144 million above that is excessive.

Mr. HASTINGS of Florida. I think in the final analysis, with a subtle earmark as it exists here, if you take developmental assistance down, you take Africa down.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Indiana [Mr. BURTON]. The program AID offers across the world are vital for the domestic survival of the countries they serve. They attend to the health and nutrition of children and allow these underdeveloped areas to stabilize their economies, fostering increased trade with the United States and free market economies throughout the world.

Furthermore, the cuts to AID would force the agency to cut 200 American jobs by the end of the year and 240 more by the end of 1997. AID has already demonstrated its efforts to streamline over the past 3 years, and is currently discussing the closure and downsizing of additional overseas posts, as my good friend, the gentleman from Indiana, certainly knows. Therefore, the cuts proposed by the Burton amendment are unnecessary and would only further impair the agency's ability to serve its purpose. I would ask that it be opposed.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS of Florida. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, I want to associate myself with the remarks of the gentleman. Also, I would like to point out or ask the gentleman if he knows that if these cuts were to be put into effect, that 45,000 families in South Africa could not be assisted with better drinking water and it would certainly cause child mortality rates to rise; 100,000 people in India will not receive safe drinking water and will be exposed to cholera and hepatitis from untreated sewage, as well as malaria and bubonic plague. Does the gentleman agree?

Mr. HASTINGS of Florida. I certainly agree with that. That is part of what I was hopeful of pointing out to the gentleman from Indiana. I thank the gentleman for pointing that out, and I stand in opposition to the amendment offered by the gentleman from Indiana.

Mr. WILSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, let me say that I will assure the gentleman from Indiana that I am absolutely right. If he reviews the entire bill and the entire context of that bill, I think that he will agree with me that we do, indeed, cut $65 million from the President's request. We must keep in mind, too, that we are talking about things like the child survival account, $27 million for disease prevention to wipe out polio, malaria, and other diseases.

Mr. Chairman, I recognize the gentleman's disdain for the USAID, I recognize his true concerns about some of the activities of USAID, but we have acted, I think responsibly, in cutting the request of the President, in cutting last year's; and if we are going to have a USAID, then we are going to instruct them, as we do, on how they are going to spend the money, we are going to key in and aim it toward our child survival, and I think the committee has acted responsibly. Under the circumstances, Mr. Chairman, I would request that the gentleman from Indiana withdraw his amendment.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, the bill, at the very least, is confusing.

For anyone who is not a member of the Committee on Appropriations to read this, they would think that there is $144 million in excessive spending here. Let me just say this. I will take my colleague at his word and I will withdraw the amendment. But I hope next year when we come up with a bill that it will be drafted in such a way, especially the explanation, that any Member, aside from a member of the Committee on Appropriations, can look and see if you folded in child survival and childhood diseases and other things in there, because it is not apparent.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. Are there further amendments to title II?

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer amendment No. 4.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BURTON of Indiana: Page 13, line 11, after the dollar amount, insert the following: ''(reduced by $46,554,000)''.

Mr. BURTON of Indiana. Mr. Chairman, in 1996 in the foreign aid authorization bill for fiscal year 1996 and 1997, the House Committee on International Relations authorized only $419,000,000, $5,000,000 in operating expenses for AID for fiscal year 1997. The cut in this amendment would bring the total operating expenses level down to what was authorized but never enacted into law by our committee. This amount was later increased to $465 million. What we are trying to do here is to reduce by $46,554,000 the operating expenses for

AID. This is what was authorized by the Committee on International Relations and we think it should not be exceeded.

Mr. WILSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the operating cuts recommended by my good friend, the gentleman from Indiana [Mr. BURTON], would have a devastating effect on delivery of U.S. assistance in Africa. Such cuts would force USAID to close additional missions in the poorest continent in the world, thereby working greater hardships on the poorest of the poor. These assistance programs would be terminated abruptly, and prior U.S. investments would be jeopardized. It is simply my view, Mr. Chairman, that AID could not effectively carry out its mission, and therefore, I would recommend a no vote on the amendment.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, the committee of jurisdiction on authorizing is the Committee on International Relations, on which I serve and have served for 12 years now. What I cannot understand is why the subcommittee on the Committee on Appropriations is exceeding what the House authorizing committee requested, by $46,554,000. It is our responsibility to study this issue and to make a decision on what we should authorize to be spent. After we did that, the gentleman came back and raised it by $46 million. Why?

Mr. WILSON. Mr. Chairman, I ask the gentleman, there was not an authorization bill signed into law, was there?

Mr. BURTON of Indiana. No, there was not.

Mr. WILSON. How long has it been since there has been one? How long has it been since we had an authorization bill signed into law?

Mr. BURTON of Indiana. The House authorization committee, the Committee on International Relations, made a recommendation.

Mr. WILSON. That is not the question. The question is, how long has it been since there has been an authorization bill signed into law?

Mr. BURTON of Indiana. It has been a while.

Mr. WILSON. I do not remember one. I have been here 24 years.

Mr. BURTON of Indiana. If the gentleman will yield further, he is in the House appropriations subcommittee that deals with this. Why would he not take into consideration what the authorizing committee came up with?

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I would like to point out that the gentleman is erroneous, that the House passed $419 million, as the gentleman suggested. However, when we got to conference and after it went through the Senate, then it came back to the House and it was at $465 million. So, I think that it is incorrect to say that the committee did not agree to it. When the conference report came back, the House did agree to the $465 million, so the committee originally did say, the gentleman's committee, $419 million. But as it went through the process, that committee agreed to $465 million. So the $465 million did pass the House, because we ratified and you voted for the conference report.

Also, the chairman of the authorizing committee did not raise any objection to this when he came to discuss the bill with us, so the $465 is the level that passed the House after they had their conference.

Mr. BURTON of Indiana. Mr. Chairman, if the gentleman will continue to yield, I just cited in my opening remarks that it was raised in conference to $465 million. I did not agree with that. I think that is excessive. I think the committee of jurisdiction and authorizing made the right decision. That is why I support the cut.

Mr. CALLAHAN. It is misleading when the gentleman says that this is more than the House passed. As we go through the committee process, as we go through the conference process, the final bill that the House voted on gave $465 million.

Mr. BURTON of Indiana. That was the conference committee report.

Mr. CALLAHAN. In the subcommittee it was only $419 and in full committee it was only $419, and when it first passed the House it was $419. Then the conferees went over to the Senate and compromised at $465, not the House, and then brought the authorization bill back to us and requested that we accept the $465.

Mr. BURTON of Indiana. If the gentleman will continue to yield, Mr. Chairman, let me just say because some of my colleagues caved in to a higher figure on the other side does not make it right. That is why I want to cut it now.

Mr. CALLAHAN. It does make it right when I say that the House level of $465 million was the amount of money that we appropriated through the House, and naturally the chairman of the committee agrees with us because he did not object to raising it to the $465.

Mr. HASTINGS of Florida. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I associate myself with the remarks of the chairman and the ranking member of the subcommittee, and I am in opposition to the Burton amendment. As indicated, it would cut USAID's operating expenses, as the gentleman from Indiana has said, by $46-plus million to a level of $419 million in fiscal year 1997.

The conference report on the fiscal year 1996–97 authorization bill passed by the House and the Senate, as has been pointed out by the subcommittee chair, proposed $465 million in fiscal year 1997, the same as recommended by H.R. 3540, the fiscal year 1997 foreign operations appropriations bill.

Mr. Chairman, much about this bill I do not like, but a lot that I like about it is that the chairman and the ranking member and other members of the Committee on Appropriations have gone about in a forthright manner, trying to be as creative as possible in protecting some accounts that we did not protect on the authorizing side.

In order to operate at even the $495 million request level in fiscal year 1997, USAID has announced it will have to lay off 200 U.S. direct-hire employees before the end of fiscal year 1996. In addition, 240 direct-hire employees will leave, or through attrition, for a total of 440, a reduction of 17 percent in 2 years.

Sometimes when we are on the floor we do not put human faces on these things. My view is cuts of the magnitude proposed in the amendment offered by the gentleman from Indiana, my good friend, would require much deeper staff cuts in the field, seriously damaging USAID's ability to carry out its staff-intensive development programs, particularly child survival and microenterprise, as well as critical programs in the NIS and Eastern Europe. In fact, with such a reduction, it is likely that the agency would have to shut down its operations at some point during fiscal year 1997 for lack of funds.

I have pointed out and it has been pointed out previously that the Africa account will suffer substantially. Already, 23 overseas posts in Africa, Asia, the Near East, and Latin America have been cut, producing annual savings in excess of $40 million. I am sure my friend, the gentleman from Indiana, is mindful of that. I see him rising.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS of Florida. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, if the gentleman would just indulge me a moment, I want to read something. Sally Shelton, you have heard me say this before but I think it needs to be said again, she is a senior staffer at AID. Here is what she said. We have the documentation of this, which I brought before the committee: ''Larry Byrne (Assistant Administrator for Management at AID) said that AID was 62 percent through this fiscal year and we have 38 percent of the dollar volume of procurement actions completed; we need to do,'' or spend, ''$1.9 billion in the next 5 months.'' ''There are large pockets of money in the field * * * so let's get moving.''

Then if you look at a list, and I had a whole litany which I read into the CONGRESSIONAL RECORD a few minutes ago of wasteful projects, spending projects around the world in Burundi, in Africa, in Central America, Nicaragua, El Salvador and elsewhere, where we have waived millions and billions of dollars. Here we see that the head of the administration, one of the

leaders over there, is saying that we have to spend another $1.9 billion in the next 3 to 4 months, otherwise we probably will not get more money next year.

□ 1430

The problem is, until we come down hard on the administration of this agency, we are never going to cut that spending, and the American taxpayer does not like foreign aid anyhow, and when there is waste, fraud and abuse, they want something done about it.

Mr. HASTINGS of Florida. Mr. Chairman, reclaiming my time, when the gentleman makes a broad-based statement about that, about what the American taxpayer does not like, I am an American taxpayer and I recognize the critical aspect, as does the gentleman, of what we do abroad. The fact of the matter is we do not do enough. We are for free markets, he and I, and we know that international aid assists American investment and import and export undertakings, not only in the underdeveloped countries, but throughout the world.

With that in mind, what U.S. AID does can be construed as a failure, and the gentleman knows, and he and I were in the hearing; all of that was put into the record. But much has been done since that time by U.S. AID and other agencies in consultation with State to make some changes that I think the gentleman and I would agree upon.

The CHAIRMAN. The time of the gentleman from Florida [Mr. HASTINGS] has expired.

(On request of Mr. BURTON of Indiana, and by unanimous consent, Mr. HASTINGS of Florida was allowed to proceed for 1 additional minute.)

Mr. HASTINGS of Florida. Mr. Chairman, I do want to say that certainly we do not want to be put in the position of not wanting to eliminate cholera and having children immunized and having safe water for as many places as possible, and I yield to the gentleman.

Mr. BURTON of Indiana. Well, I certainly agree. We are not cutting AID to the bone. We are cutting out the fat in my amendments, and what we are doing is sending a signal. Seventy-four percent, the gentleman is a taxpayer and so am I, 74 percent of the American people in a recent poll did not want any foreign aid. So the American people and the taxpayers are against it. So we have to spend their money very judiciously and in my opinion AID wastes a heck of a lot of it.

Mr. CALLAHAN. Mr. Chairman, I move to strike the requisite number of words in opposition to the amendment.

Mr. Chairman, the gentleman from Indiana is right. The American people do not approve of foreign aid by a great majority. I think he mentioned that 74 percent of the people do not agree with it. I would agree with 74 percent of the American people, there are certain aspects of foreign aid that I loathe.

However, the American people do not object to Child Survival activities. The American people do not object to us feeding starving children in Africa or any other of the poor countries. The American people do not object to the International Rotary Club program to eradicate polio worldwide. They support this, and this is the agency that administers those funds.

I agree with you that there is great room for improvement in U.S. AID, and I have banged on their heads, and so has our ranking Democrat, insisting that they tighten their belts over there. We earmarked the money for Child Survival and said you must spend this money on this program.

So I will agree with the gentleman that there is great room for improvement, but further, I will tell the gentleman that it is $25 million less than we actually appropriated last year because we eliminated the transfer authority that we provided in the 1996 bill. So we have cut their operation expenses by a net of another $25 million.

In addition to that, it is almost $30 million below the President's budget. It is consistent with the level assumed in the authorization bill that was vetoed, the same bill that was approved last year and the President vetoed. It is consistent with that same level.

I agree that they should downsize. That is why I have supported the closure of 21 U.S. AID posts overseas, which will generate ultimately an annual saving of some $40 million. I support the efforts of AID to reduce personnel, which this year will include a reduction in force of 200 U.S. direct-hire employees. However, there is a limited beyond which any account that funds personnel can be cut before you totally disrupt agency operation.

What are we going to do with that $600 million that we put in Child Survival? Just send a check to somebody? We have to have a program that administers this aid. It costs money when you have any branch of the administration distributing money. But let us not say that 74 percent of the American people disagree with this section of this bill, because I would assure the gentleman from Indiana [Mr. BURTON] that 90 percent of the American people agree that when we have starving children, when we have sick children, when we have uneducated children, when we have children who possibly might contract polio, that we ought to utilize some of our vast resources to help these unfortunate people. That is what we have tried to do, and I respectfully request that this amendment be defeated.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, they have over 8,000 employees, and you are cutting 200. They have 8,000 employees, and you are talking about these children survival programs. I am not cutting the children survival programs. I am cutting the administrative overhead of the agency. They have 8,000 employees, and that does not include the contractors that they have outside that they have hired.

Now, I am very happy that the gentleman, and he is my good friend, was able to cut 200 jobs, but that is not nearly enough. The bureaucracy over there is out of control. I just read what one of the leaders said about having to blow more money so that they could get more money. The fact of the matter is, we ought to be cutting AID's administrative costs dramatically, not just to do away with a lot of unnecessary bureaucrats over there, which the taxpayers do not want to support, but secondly, to send a signal to them that we do not want this kind of attitude that they have had in the past.

Mr. CALLAHAN. Mr. Chairman, reclaiming my time, I will assure the gentleman that I have sent such a signal to USAID, I will assure him that this report language sends that same message to USAID, and I think that 200 employees, while it might not be as many as he would like, is a step in the right direction, that we have common destinations, that we are trying to get to this area of the room.

The gentleman from Indiana [Mr. BURTON] is saying we ought to run over there, and I am saying we ought to move judiciously to make certain that the child survival programs, that the good programs, the good that USAID does is not impacted by this.

I am with the gentleman all the way, and I will continue as long as I am chairman of this subcommittee to bang on their heads, to request and demand that the administrative expenses be kept at a minimum, but at the same time we just cannot cut. Why not cut it all out? Why not just give the money to Rotary International and say, you distribute it, you are doing such a wonderful job with polio?

The CHAIRMAN. The time of the gentleman from Alabama [Mr. CALLAHAN] has expired.

(On request of Mr. BURTON of Indiana, and by unanimous consent, Mr. CALLAHAN was allowed to proceed for 1 additional minute.)

Mr. CALLAHAN. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, when we cut 200 jobs out of 8,000, that is one-quarter of 1 percent, and you keep saying you are going to hand the checks to the Rotary Club to give that money away, that is a ludicrous thing to say. The fact of the matter is that 200 people out of 8,000 is nothing. That bureaucracy is top-heavy over there. We need to cut it to the bone.

Mr. CALLAHAN. Mr. Chairman, reclaiming my time, the bureaucracy was growing until such time as I became chairman of this subcommittee, and since that time, the bureaucracy is downsizing. I know we are not doing it as rapidly as the gentleman would like, but we are not hemorrhaging like we were before; we are coming downhill, and that is the right direction, but we must do it responsibly.

Mr. HASTINGS of Florida. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Florida.

Mr. HASTINGS of Florida. Mr. Chairman, all I wish to point out is that there are 200 that have been cut, 200 through attrition. That is 400, a 17-percent decrease, and since 1995 there has been a freeze on hiring and, in addition to that, there has been a freeze on salary increases. They are making progress, I would say to the gentleman from Indiana [Mr. BURTON].

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. BURTON].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BURTON of Indiana. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Indiana [Mr. BURTON] will be postponed.

The point of no quorum is considered withdrawn.

PARLIAMENTARY INQUIRY

Mr. BURTON of Indiana. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BURTON of Indiana. Mr. Chairman, to what time in the day are we postponing the vote?

The CHAIRMAN. The Chair is really not fully aware of the answer to that question.

Mr. BURTON of Indiana. If I might make a further parliamentary inquiry, as I understood it, we were going to be able to call votes after 2:30; is that not correct?

The CHAIRMAN. Not to the knowledge of the Chair.

Mr. BURTON of Indiana. Mr. Chairman, there is no time specific?

The CHAIRMAN. The Chair has not heard it at this point.

Mr. BURTON of Indiana. So they are just being postponed indefinitely subject to the call of the Chair?

The CHAIRMAN. The Chair doubts if the postponement will be very long, but they are postponed as of this time.

Are there further amendments to title II?

If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, $45,000,000: *Provided,* That none of the funds appropriated under this heading shall be available for Zaire and Guatemala: *Provided further,* That funds appropriated under this heading for grant financed military education and training for Indonesia may only be available for expanded international military education and training.

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $3,222,250,000: *Provided,* That funds appropriated by this paragraph that are made available for Israel and Egypt shall be made available only as grants: *Provided further,* That the funds appropriated by this paragraph that are made available for Israel shall be disbursed within thirty days of enactment of this Act or by October 31, 1996, whichever is later: *Provided further,* That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which no less than $475,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: *Provided further,* That funds made available under this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: *Provided further,* That none of the funds made available under this heading shall be available for any non-NATO country participating in the Partnership for Peace Program except through the regular notification procedures of the Committees on Appropriations.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans authorized by section 23 of the Arms Export Control Act as follows: cost of direct loans, $35,000,000: *Provided,* That these funds are available to subsidize gross obligations for the principal amount of direct loans of not to exceed $323,815,000: *Provided further,* That the rate of interest charged on such loans shall be not less than the current average market yield on outstanding marketable obligations of the United States of comparable maturities: *Provided further,* That funds appropriated under this heading shall be made available for Greece and Turkey only on a loan basis, and the principal amount of direct loans for each country shall not exceed the following: $103,471,000 only for Greece and $147,816,000 only for Turkey.

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: *Provided,* That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: *Provided further,* That funds made available under this heading shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a): *Provided further,* That none of the funds appropriated under this heading shall be available for Zaire, Sudan, Liberia, and Guatemala: *Provided further,* That only those countries for which assistance was justified for the ''Foreign Military Sales Financing Program'' in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: *Provided further,* That, subject to the regular notification procedures of the Committees on Appropriations, funds made available under this heading for the cost of direct loans may also be used to supplement the funds available under this heading for grants, and funds made available under this heading for grants may also be used to supplement the funds available under this heading for the cost of direct loans: *Provided further,* That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further,* That not more than $23,250,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: *Provided further,* That not more than $355,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 1997 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, $65,000,000: *Provided,* That none of the funds appropriated under this paragraph shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

Mr. WILSON. Mr. Chairman, I ask unanimous consent that we pass over consideration of title III, and that the gentleman from Wisconsin [Mr. OBEY] be allowed to offer the amendments he has on title III at a later point in consideration of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. SOUDER. Mr. Chairman, reserving the right to object, does the gentleman have any idea how many amendments there are pending?

Mr. WILSON. If the gentleman will yield, he has filed 18.

Mr. SOUDER. And does the gentleman know if the gentleman from Wisconsin intends to offer most of those amendments?

Mr. WILSON. The honest answer is I do not know.

Mr. SOUDER. Mr. Chairman, I object. Maybe we can have this come up when we know how many there are going to be, but at this time I object.

The CHAIRMAN. Objection is heard.

Are there amendments to title III?

The Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States contribution to the Global Environment Facility (GEF), $30,000,000, to remain available until September 30, 1998.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the

Treasury, $525,000,000, for the United States contribution to the tenth replenishment, to remain available until expended: *Provided,* That none of the funds made available for the International Development Association may be obligated until the Secretary of the Treasury submits a report to the Committees on Appropriations detailing the efforts made by United States officials, during discussions leading to an agreement to undertake the eleventh replenishment of the Association, to oppose the formation of an Interim Trust Fund, and fully describing the adverse impacts to the United States resulting from the Interim Trust Fund and other potential alternative funding structures for the Association during 1996 and 1997.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For payment to the International Finance Corporation by the Secretary of the Treasury, $6,656,000, for the United States share of the increase in subscriptions to capital stock, to remain available until expended.

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increase in capital stock, $25,610,667, and for the United States share of the increase in the resources of the Fund for Special Operations, $10,000,000, to remain available until expended.

LIMITATION OF CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $1,503,718,910.

CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the Fund to be administered by the Inter-American Development Bank, $27,500,000 to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury for the United States share of the paid-in portion of the increase in capital stock, $13,221,596, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Asian Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $647,858,204.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended (Public Law 89–369), $100,000,000, to remain available until expended.

CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, $11,916,447, for the United States share of the paid-in share portion of the initial capital subscription, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $27,805,043.

NORTH AMERICAN DEVELOPMENT BANK

For payment to the North American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in portion of the capital stock, $50,625,000, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the North American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of the capital stock of the North American Development Bank in an amount not to exceed $318,750,000.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, $136,000,000: *Provided,* That none of the funds appropriated under this heading shall be made available for the United Nations Fund for Science and Technology: *Provided further,* That none of the funds appropriated under this heading that are made available to the United Nations Population Fund (UNFPA) shall be made available for activities in the People's Republic of China: *Provided further,* That not more than $25,000,000 of the funds appropriated under this heading shall be made available to the UNFPA *Provided further,* That none of the funds appropriated under this heading shall be made available to the UNFPA unless the Secretary of State determines and reports to the Congress that UNFPA programs in the People's Republic of China have ended and the United States has received assurances that the UNFPA will not resume such programs during fiscal year 1997: *Provided further,* That none of the funds appropriated under this heading may be made available to the Korean Peninsula Energy Development Organization (KEDO).

The CHAIRMAN. Are there amendments to title IV?

Mr. WILSON. Mr. Chairman, I ask unanimous consent that we pass over consideration of title IV and that the gentleman from Wisconsin [Mr. OBEY] be allowed to offer the amendments he has filed on title IV at a later point in consideration of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk will designate title V.

The text of title V is as follows:

TITLE V—GENERAL PROVISIONS

OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

SEC. 501. Except for the appropriations entitled ''International Disaster Assistance'', and ''United States Emergency Refugee and Migration Assistance Fund'', not more than 15 per centum of any appropriation item made available by this Act shall be obligated during the last month of availability.

PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 502. None of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

LIMITATION ON RESIDENCE EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed $126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year: *Provided,* That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed $5,000 shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed $95,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: *Provided,* That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: *Provided further,* That of the funds made available by this Act for general costs of administering military assistance and sales under the heading ''Foreign Military Financing Program'', not to exceed $2,000 shall be available for entertainment expenses and not to exceed $50,000 shall be available for representation allowances: *Provided further,* That of the funds made available by this Act under the heading ''International Military Education and Training'', not to exceed $50,000 shall be available for entertainment allowances: *Provided further,* That of the funds made available by this Act for the Inter-American Foundation, not to exceed $2,000 shall be available for entertainment and representation allowances: *Provided further,* That of the funds made available by this Act for the Peace Corps, not to exceed a total of $4,000 shall be available for entertainment expenses: *Provided further,* That of the funds made available by this Act under the heading ''Trade and Development Agency'', not to exceed $2,000 shall be available for representation and entertainment allowances.

PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 506. None of the funds appropriated or made available (other than funds for ''Nonproliferation, Anti-terrorism, Demining and Related Programs'') pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or Syria: *Provided,* That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree: *Provided,* That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.

TRANSFERS BETWEEN ACCOUNTS

SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate.

DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 510. (a) Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under title II of this Act are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, 1997, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: *Provided,* That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the reobligation of such funds in accordance with regular notification procedures of the Committees on Appropriations.

(b) Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act: *Provided,* That the authority of this subsection may not be used in fiscal year 1997.

AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: *Provided,* That funds appropriated for the purposes of chapters 1, 8, and 11 of part I, section 667, and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, and funds provided under the heading ''Assistance for Eastern Europe and the Baltic States'', shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: *Provided further,* That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: *Provided further,* That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act: *Provided,* That this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available in this Act or during the current fiscal year for Nicaragua, and for any narcotics-related assistance for Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961 or the Arms Export Control Act.

COMMERCE AND TRADE

SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: *Provided,* That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity, and the Chairman of the Board so notifies the Committees on Appropriations.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: *Provided,* That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

SURPLUS COMMODITIES

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

NOTIFICATION REQUIREMENTS

SEC. 515. For the purposes of providing the Executive Branch with the necessary administrative flexibility, none of the funds made available under this Act for ''Child Survival and Disease Programs Fund'', ''Development Assistance'', ''Debt restructuring'', ''International organizations and programs'', ''Trade and Development Agency'', ''International narcotics control'', ''Assistance for Eastern Europe and the Baltic States'', ''Assistance for the New Independent States of the Former Soviet Union'', ''Economic Support Fund'', ''Peacekeeping operations'', ''Operating expenses of the Agency for International Development'', ''Operating expenses of the Agency for International Development Office of Inspector General'', ''Nonproliferation, anti-terrorism, demining and related programs'', ''Foreign Military Financing Program'', ''International military education and training'', ''Inter-American Foundation'', ''African Development Foundation'', ''Peace Corps'', ''Migration and refugee assistance'', shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified fifteen days in advance: *Provided,* That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 per centum in excess of the quantities justified to Congress unless the Committees on Appropriations are notified fifteen days in advance of such commitment: *Provided further,* That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 10 per centum of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: *Provided further,* That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare: *Provided further,* That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than three days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: *Provided further,* That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

Drawdowns made pursuant to section 506(a) (2) of the Foreign Assistance Act of 1961 shall be subject to the regular notification procedures of the Committees on Appropriations.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. Notwithstanding any other provision of law or of this Act, none of the funds provided for ''International Organizations and Programs'' shall be available for the United States proportionate share, in accordance with section 307(c) of the Foreign Assistance Act of 1961, for any programs identified in section 307, or for Libya, Iran, or, at the discretion of the President, Communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended: *Provided,* That, subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because

of the implementation of this section or any similar provision of law, shall remain available for obligation through September 30, 1998.

ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

SEC. 517. The Congress finds that progress on the peace process in the Middle East is vitally important to United States security interests in the region. The Congress recognizes that, in fulfilling its obligations under the Treaty of Peace Between the Arab Republic of Egypt and the State of Israel, done at Washington on March 26, 1979, Israel incurred severe economic burdens. Furthermore, the Congress recognizes that an economically and militarily secure Israel serves the security interests of the United States, for a secure Israel is an Israel which has the incentive and confidence to continue pursuing the peace process. Therefore, the Congress declares that, subject to the availability of appropriations, it is the policy and the intention of the United States that the funds provided in annual appropriations for the Economic Support Fund which are allocated to Israel shall not be less than the annual debt repayment (interest and principal) from Israel to the United States Government in recognition that such a principle serves United States interests in the region.

PROHIBITION ON FUNDING FOR ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations: *Provided,* That none of the funds made available under this Act may be used to lobby for or against abortion.

POPULATION ASSISTANCE FUNDING LIMITATIONS

SEC. 518A. (a) IN GENERAL.—

(1) Notwithstanding any other provision of this Act, funds appropriated by this Act for population assistance activities may be made available for a foreign private or nongovernmental organization only if the organization certifies that it will not during the period for which the funds are made available, perform abortions in any foreign country, except where the life of the mother would be endangered if the fetus were carried to term or in cases of forcible rape or incest.

(2) Paragraph (1) may not be construed to apply to the treatment of injuries or illnesses caused by legal or illegal abortions or to assistance provided directly to the government of a country.

(b) LOBBYING ACTIVITIES.—

(1) None of the funds made available under this Act may be used to lobby for or against abortion, and, notwithstanding any other provision of this Act or other law, none of the funds appropriated by this Act for population assistance activities may be made available for any foreign private or nongovernmental organization until the organization certifies that it will not during the period for which the funds are made available, violate the laws of any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited, or engage in any activity or effort in a foreign country to alter the laws or governmental policies of any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited.

(2) Notwithstanding any other provision of this Act, paragraph (1) shall not apply to activities in opposition to coercive abortion or involuntary sterilization.

(c) Notwithstanding subsections (a)(1) and (b)(1), a foreign private or nongovernmental organization may receive funds appropriated by this Act for population assistance activities in the absence of the certifications required in said subsections, but funds made available for each such organization by this Act shall not exceed 50 percent of the funds made available to the organization during fiscal year 1995. Funds for population assistance activities may not be made available for any foreign private or nongovernmental organization that did not receive such funds during fiscal year 1995 unless the organization meets the certification requirements of subsections (a)(1) and (b)(1).

(d) Funds made available pursuant to subsection (c) shall be apportioned on a monthly basis for the first four months of fiscal year 1997 only, and monthly disbursements during such period to each organization covered by said subsection may not exceed 8.34 percent of the total each such organization could receive pursuant to said subsection.

(e) Subsections (a), (b) and (c) apply to funds made available for a foreign organization either directly or as a subcontractor or sub-grantee, and the required certifications apply to activities in which the organization engages either directly or through a subcontractor or sub-grantee.

(f) Funds appropriated or otherwise made available in title II of this Act for population planning activities or other population assistance may be made available for obligation and expenditure in an amount not to exceed 65 percent of the total amount appropriated or otherwise made available by Public Law 103–306 and Public Law 104–19 for such activities for fiscal year 1995.

REPORTING REQUIREMENT

SEC. 519. The President shall submit to the Committees on Appropriations the reports required by section 25(a)(1) of the Arms Export Control Act.

SPECIAL NOTIFICATION REQUIREMENTS

SEC. 520. None of the funds appropriated in this Act shall be obligated or expended for Colombia, Dominican Republic, Haiti, Liberia, Pakistan, Peru, Russia, Serbia, South Africa, Sudan, or Zaire except as provided through the regular notification procedures of the Committees on Appropriations.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 521. For the purpose of this Act, ''program, project, and activity'' shall be defined at the Appropriations Act account level and shall include all Appropriations and Authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, ''program, project, and activity'' shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the Agency for International Development ''program, project, and activity'' shall also be considered to include central program level funding, either as (1) justified to the Congress, or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within thirty days of enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

CHILD SURVIVAL AND AIDS ACTIVITIES

SEC. 522. Up to $8,000,000 of the funds made available by this Act for assistance for family planning, health, child survival, and AIDS, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out family planning activities, child survival activities and activities relating to research on, and the treatment and control of acquired immune deficiency syndrome in developing countries: *Provided,* That funds appropriated by this Act that are made available for child survival activities or activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome may be made available notwithstanding any provision of law that restricts assistance to foreign countries: *Provided further,* That funds appropriated by this Act that are made available for family planning activities may be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 523. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the People's Republic of China, unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.

RECIPROCAL LEASING

SEC. 524. Section 61(a) of the Arms Export Control Act is amended by striking out ''1996'' and inserting in lieu thereof ''1997''.

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 525. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (c) of that section: *Provided,* That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees: *Provided further,* That such Committees shall also be informed of the original acquisition cost of such defense articles.

AUTHORIZATION REQUIREMENT

SEC. 526. Funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91–672 and section 15 of the State Department Basic Authorities Act of 1956.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 527. (a) Funds appropriated for bilateral assistance under any heading of this Act

and funds appropriated under any such heading in a provision of law enacted prior to enactment of this Act, shall not be made available to any country which the President determines—

(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least fifteen days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 528. Notwithstanding any other provision of law, and subject to the regular notification procedures of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel, Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

COMPETITIVE INSURANCE

SEC. 528A. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate.

STINGERS IN THE PERSIAN GULF REGION

SEC. 529. Except as provided in section 581 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961.

DEBT-FOR-DEVELOPMENT

SEC. 530. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment shall be used for the purpose for which the assistance was provided to that organization.

SEPARATE ACCOUNTS

SEC. 531. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated, and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as—

(i) project and sector assistance activities, or

(ii) debt and deficit financing; or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all necessary steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(5) CONFORMING AMENDMENTS.—The provisions of this subsection shall supersede the tenth and eleventh provisos contained under the heading ''Sub-Saharan Africa, Development Assistance'' as included in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 and sections 531(d) and 609 of the Foreign Assistance Act of 1961.

(6) REPORTING REQUIREMENT.—The Administrator of the Agency for International Development shall report on an annual basis as part of the justification documents submitted to the Committees on Appropriations on the use of local currencies for the administrative requirements of the United States Government as authorized in subsection (a)(2)(B), and such report shall include the amount of local currency (and United States dollar equivalent) used and/or to be used for such purpose in each applicable country.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapters 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Report No. 98–1159).

(3) NOTIFICATION.—At least fifteen days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Nonproject sector assistance funds may be exempt from the requirements of subsection (b) (1) only through the notification procedures of the Committees on Appropriations.

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCING INSTITUTIONS

SEC. 532. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, ''international financial institutions'' are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

SEC. 533. (a) DENIAL OF ASSISTANCE.—None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq, Serbia or Montenegro unless the President determines and so certifies to the Congress that—

(1) such assistance is in the national interest of the United States;

(2) such assistance will directly benefit the needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

(b) IMPORT SANCTIONS.—If the President considers that the taking of such action would promote the effectiveness of the economic sanctions of the United Nations and the United States imposed with respect to Iraq, Serbia, or Montenegro, as the case may be, and is consistent with the national interest, the President may prohibit, for such a period of time as he considers appropriate, the importation into the United States of any or all products of any foreign country that has not prohibited—

(1) the importation of products of Iraq, Serbia, or Montenegro into its customs territory, and

(2) the export of its products to Iraq, Serbia, or Montenegro, as the case may be.

POW/MIA MILITARY DRAWDOWN

SEC. 534. (a) Notwithstanding any other provision of law, the President may direct the drawdown, without reimbursement by the recipient, of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training, of an aggregate value not to exceed $15,000,000 in fiscal year 1997, as may be necessary to carry out subsection (b).

(b) Such defense articles, services and training may be provided to Vietnam, Cambodia and Laos, under subsection (a) as the President determines are necessary to support efforts to locate and repatriate members of the United States Armed Forces and civilians employed directly or indirectly by the United States Government who remain unaccounted for from the Vietnam War, and to ensure the safety of United States Government personnel engaged in such cooperative efforts and to support United States Department of Defense-sponsored humanitarian projects associated with the POW/MIA efforts. Any aircraft shall be provided under this section only to Laos and only on a lease or loan basis, but may be provided at no cost notwithstanding section 61 of the Arms Export Control Act and may be maintained with defense articles, services and training provided under this section.

(c) The President shall, within sixty days of the end of any fiscal year in which the authority of subsection (a) is exercised, submit a report to the Congress which identifies the articles, services, and training drawn down under this section.

MEDITERRANEAN EXCESS DEFENSE ARTICLES

SEC. 535. For the four-year period beginning on October 1, 1996, the President shall ensure that excess defense articles will be made available under section 516 and 519 of the Foreign Assistance Act of 1961 consistent with the manner in which the President made available excess defense articles under those sections during the four-year period that began on October 1, 1992, pursuant to section 573(e) of the Foreign Operations, Export Financing, Related Programs Appropriations Act, 1990.

CASH FLOW FINANCING

SEC. 536. For each country that has been approved for cash flow financing (as defined in section 25(d) of the Arms Export Control Act, as added by section 112(b) of Public Law 99–83) under the Foreign Military Financing Program, any Letter of Offer and Acceptance or other purchase agreement, or any amendment thereto, for a procurement in excess of $100,000,000 that is to be financed in whole or in part with funds made available under this Act shall be submitted through the regular notification procedures to the Committees on Appropriations.

AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMERICAN FOUNDATION AND THE AFRICAN DEVELOPMENT FOUNDATION

SEC. 537. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act, or the African Development Foundation Act. The appropriate agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 538. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States;

(b) assistance for the purpose of establishing or developing in a foreign country any export processing zone or designated area in which the tax, tariff, labor, environment, and safety laws of that country do not apply, in part or in whole, to activities carried out within that zone or area, unless the President determines and certifies that such assistance is not likely to cause a loss of jobs within the United States; or

(c) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: *Provided*, That in recognition that the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

AUTHORITY TO ASSIST BOSNIA AND HERZEGOVINA

SEC. 539. (a) The President is authorized to direct the transfer, subject to notification of the Committees on Appropriations, to the government of Bosnia and Herzegovina, without reimbursement, of defense articles from the stocks of the Department of Defense and defense services of the Department of Defense, of an aggregate value that equals the difference between $100,000,000 and the aggregate value of any such articles and services that were transferred under the authority of Section 540 of Public Law 104–107, the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996: *Provided*, That the President certifies in a timely fashion to the Congress that the transfer of such defense articles would assist that nation in self-defense and thereby promote the security and stability of the region.

(b) Within 60 days of any transfer under the authority provided in subsection (b), and every 60 days thereafter, the President shall report in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate concerning the articles transferred and the disposition thereof.

(c) There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for defense articles provided under this section.

RESTRICTIONS ON THE TERMINATION OF SANCTIONS AGAINST SERBIA AND MONTENEGRO

SEC. 540. (a) RESTRICTIONS.—Notwithstanding any other provision of law, no sanction, prohibition, or requirement described in section 1511 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160), with respect to Serbia or Montenegro, may cease to be effective, unless—

(1) the President first submits to the Congress a certification described in subsection (b); and

(2) the requirements of section 1511 of that Act are met.

(b) CERTIFICATION.—A certification described in this subsection is a certification that—

(1) there is substantial progress toward—

(A) the realization of a separate identity for Kosova and the right of the people of Kosova to govern themselves; or

(B) the creation of an international protectorate for Kosova;

(2) there is substantial improvement in the human rights situation in Kosova;

(3) international human rights observers are allowed to return to Kosova; and

(4) the elected government of Kosova is permitted to meet and carry out its legitimate mandate as elected representatives of the people of Kosova.

(c) WAIVER AUTHORITY.—The President may waive the application in whole or in part, of subsection (a) if the President certifies to the Congress that the President has determined that the waiver is necessary to meet emergency humanitarian needs or to achieve a negotiated settlement of the conflict in Bosnia and Herzegovina that is acceptable to the parties.

SPECIAL AUTHORITIES

SEC. 541. (a) Funds appropriated in title II of this Act that are made available for Afghanistan, Lebanon, and Cambodia, and for victims of war, displaced children, displaced Burmese, humanitarian assistance for Romania, and humanitarian assistance for the peoples of Bosnia and Herzegovina, Croatia, and Kosova, may be made available notwithstanding any other provision of law: *Provided*, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985: *Provided further*, That the President shall terminate assistance to any country or organization that he determines is cooperating, tactically or strategically, with the Khmer Rouge in their military operations, or to the military of any country which the President determines is not taking steps to prevent a pattern or practice of commercial relations between its members and the Khmer Rouge.

(b) Funds appropriated by this Act to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and energy programs aimed at reducing emissions of greenhouse gases, and for the purpose of supporting biodiversity conservation activities: *Provided*, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) During fiscal year 1997, the President may use up to $50,000,000 under the authority of section 451 of the Foreign Assistance Act of 1961, notwithstanding the funding ceiling contained in subsection (a) of that section.

(d) The Agency for International Development may employ personal services contractors, notwithstanding any other provision of law, for the purpose of administering programs for the West Bank and Gaza.

POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL

SEC. 542. It is the sense of the Congress that—

(1) the Arab League countries should immediately and publicly renounce the primary boycott of Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel; and

(2) the President should—

(A) take more concrete steps to encourage vigorously Arab League countries to renounce publicly the primary boycotts of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel as a confidence-building measure;

(B) take into consideration the participation of any recipient country in the primary

boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel when determining whether to sell weapons to said country;

(C) report to Congress on the specific steps being taken by the President to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel; and

(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

ANTI-NARCOTICS ACTIVITIES

SEC. 543. (a) Of the funds appropriated or otherwise made available by this Act for ''Economic Support Fund'', assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean and in other regions consistent with the provisions of section 534(b) of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act.

(b) Funds made available pursuant to this section may be made available notwithstanding section 534(c) and the second and third sentences of section 534(e) of the Foreign Assistance Act of 1961. Funds made available pursuant to subsection (a) for Bolivia, Colombia and Peru may be made available notwithstanding section 534(c) and the second sentence of section 534(e) of the Foreign Assistance Act of 1961.

ELIGIBILITY FOR ASSISTANCE

SEC. 544. (a) ASSISTANCE THROUGH NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961: *Provided*, That the President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest of the United States: *Provided further*, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: *Provided further*, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) PUBLIC LAW 480.—During fiscal year 1997, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: *Provided*, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

(c) EXCEPTION.—This section shall not apply—

(1) with respect to section 620A of the Foreign Assistance Act or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

(2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that violate internationally recognized human rights.

EARMARKS

SEC. 544A. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act or, with respect to a country with which the United States has an agreement providing the United States with base rights or base access in that country, if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991; however, before exercising the authority of this subsection with regard to a base rights or base access country which has significantly reduced its military or economic cooperation with the United States, the President shall consult with, and shall provide a written policy justification to the Committees on Appropriations: *Provided*, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.

(b) In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the Agency for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: *Provided*, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.

CEILINGS AND EARMARKS

SEC. 545. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs.

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 546. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of enactment of this Act by the Congress: *Provided*, That not to exceed $750,000 may be made available to carry out the provisions of section 316 of Public Law 96–533.

USE OF AMERICAN RESOURCES

SEC. 547. To the maximum extent possible, assistance provided under this Act should make full use of American resources, including commodities, products, and services.

PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. 548. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.

CONSULTING SERVICES

SEC. 549. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order pursuant to existing law.

PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

SEC. 550. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development.

PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

SEC. 551. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after the date of enactment of this Act.

(b) Assistance restricted by subsection (a) or any other similar provision of law, may be furnished if the President determines that furnishing such assistance is important to the national interests of the United States.

(c) Whenever the waiver of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the furnishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.

WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

SEC. 552. (a) IN GENERAL.—Of the funds made available for a foreign country under part I of the Foreign Assistance Act of 1961, an amount equivalent to 110 percent of the total unpaid fully adjudicated parking fines and penalties owed to the District of Columbia by such country as of the date of enactment of this Act shall be withheld from obligation for such country until the Secretary of State certifies and reports in writing to the appropriate congressional committees that such fines and penalties are fully paid to the government of the District of Columbia.

(b) DEFINITION.—For purposes of this section, the term ''appropriate congressional committees'' means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST BANK AND GAZA

SEC. 553. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104–107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still

in effect: *Provided*, That if the President fails to make the certification under section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 554. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 1997 for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 percent by any such transfer: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

WAR CRIMES TRIBUNALS

SEC. 555. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the President may direct a drawdown pursuant to section 552(c) of the Foreign Assistance Act of 1961, as amended, of up to $25,000,000 of commodities and services for the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: *Provided*, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): *Provided further*, That 60 days after the date of enactment of this Act, and every 180 days thereafter, the Secretary of State shall submit a report to the Committees on Appropriations describing the steps the United States Government is taking to collect information regarding allegations of genocide or other violations of international law in the former Yugoslavia and to furnish that information to the United Nations War Crimes Tribunal for the former Yugoslavia.

LANDMINES

SEC. 556. Notwithstanding any other provision of law, demining equipment available to any department or agency and used in support of the clearing of landmines for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe.

RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 557. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: *Provided*, That this restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: *Provided further*, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. 558. None of the funds appropriated or otherwise made available by this Act under the heading ''INTERNATIONAL MILITARY EDUCATION AND TRAINING'' or ''FOREIGN MILITARY FINANCING PROGRAM'' for Informational Program activities may be obligated or expended to pay for—

(1) alcoholic beverages;

(2) food (other than food provided at a military installation) not provided in conjunction with Informational Program trips where students do not stay at a military installation; or

(3) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.

HUMANITARIAN ASSISTANCE

SEC. 559. (a) IN GENERAL.—None of the funds made available in this Act may be used for assistance in support of any country when it is made known to the President that the government of such country prohibits or otherwise restricts, directly or indirectly, the transport or delivery of United States humanitarian assistance.

(b) EXCEPTION.—Funds may be made available without regard to the restriction in subsection (a) if the President determines that to do so is in the national security interest of the United States.

WITHHOLDING OF ASSISTANCE TO COUNTRIES SUPPORTING NUCLEAR PLANT IN CUBA

SEC. 560. (a) WITHHOLDING.—The President shall withhold from assistance made available with funds appropriated or made available pursuant to this Act an amount equal to the sum of assistance and credits, if any, provided on or after the date of the enactment of this Act by that country, or any entity in that country, in support of the completion of the Cuban nuclear facility at Juragua, near Cienfuegos, Cuba.

(b) EXCEPTIONS.—The requirement of subsection (a) to withhold assistance shall not apply with respect to—

(1) assistance to meet urgent humanitarian needs including disaster and refugee relief;

(2) democratic political reform and rule of law activities;

(3) support for private sector and nongovernmental organizations that are independent of government control;

(4) the development of a free market economic system; and

(5) assistance for the purposes described in the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103–160).

EQUITABLE ALLOCATION OF FUNDS

SEC. 561. Not more than 20 percent of the funds appropriated by this Act to carry out the provisions of sections 103 through 106 and chapter 4 of part II of the Foreign Assistance Act of 1961, that are made available for Latin America and the Caribbean region may be made available, through bilateral and Latin America and the Caribbean regional programs, to provide assistance for any country in such region.

PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

SEC. 562. (a) SENSE OF CONGRESS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

LIMITATION OF FUNDS FOR NORTH AMERICAN DEVELOPMENT BANK

SEC. 563. None of the funds appropriated in this Act under the heading ''North American Development Bank'' and made available for the Community Adjustment and Investment Program shall be used for purposes other than those set out in the binational agreement establishing the Bank.

INTERNATIONAL DEVELOPMENT ASSOCIATION

SEC. 564. In order to pay for the United States contribution to the tenth replenishment of the resources of the International Development Association authorized in section 526 of Public Law 103–87, there is authorized to be appropriated, without fiscal year limitation, $525,000,000 for payment by the Secretary of the Treasury.

SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 565. (a) AUTHORITY TO REDUCE DEBT.—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

(1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961; or

(2) credits extended or guarantees issued under the Arms Export Control Act.

(b) LIMITATIONS.—

(1) The authority provided by subsection (a) may be exercised only to implement multilateral official debt relief and referendum agreements, commonly referred to as ''Paris Club Agreed Minutes''.

(2) The authority provided by subsection (a) may be exercised only in such amounts or to such extent as is provided in advance by appropriations Acts.

(3) The authority provided by subsection (a) may be exercised only with respect to countries with heavy debt burdens that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as ''IDA-only'' countries.

(c) CONDITIONS.—The authority provided by subsection (a) may be exercised only with respect to a country whose government—

(1) does not have an excessive level of military expenditures;

(2) has not repeatedly provided support for acts of international terrorism;

(3) is not failing to cooperate on international narcotics control matters;

(4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights; and

(5) is not ineligible for assistance because of the application of section 527 of the Foreign Relations Authorization Act, fiscal years 1994 and 1995.

(d) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading ''Debt restructuring''.

(e) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to subsection (a) shall not be considered assistance for purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961.

AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

SEC. 566. (a) LOANS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.—

(1) AUTHORITY TO SELL, REDUCE, OR CANCEL CERTAIN LOANS.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser any concessional loan or portion thereof made before January 1, 1995, pursuant to the Foreign Assistance Act of 1961, to the government of any eligible country as defined in section 702(6) of that Act or on receipt of payment from an eligible purchaser, reduce or cancel such loan or portion thereof, only for the purpose of facilitating—

(A) debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps; or

(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with local community development, and child survival and other child development, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.

(2) TERMS AND CONDITIONS.—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans may be sold, reduced, or canceled pursuant to this section.

(3) ADMINISTRATION.—The Facility, as defined in section 702(8) of the Foreign Assistance Act of 1961, shall notify the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of purchasers that the President has determined to be eligible, and shall direct such agency to carry out the sale, reduction, or cancellation of a loan pursuant to this section. Such agency shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

(4) LIMITATION.—The authorities of this subsection shall be available only to the extent that appropriations for the cost of the modification, as defined in section 502 of the Congressional Budget Act of 1974, are made in advance.

(b) DEPOSIT OF PROCEEDS.—The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

(c) ELIGIBLE PURCHASERS.—A loan may be sold pursuant to subsection (a)(1)(A) only to a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(d) DEBTOR CONSULTATIONS.—Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President should consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(e) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading ''Debt restructuring''.

LIBERIA

SEC. 567. Funds appropriated by this Act may be made available for assistance for Liberia notwithstanding section 620(q) of the Foreign Assistance Act of 1961 and section 512 of this Act.

GUATEMALA

SEC. 568. (a) Funds provided in this Act may be made available for the Guatemalan military forces, and the restrictions on Guatemala under the headings ''International Military Education and Training'' and ''Foreign Military Financing Program'' shall not apply, only if the President determines and certifies to the Congress that the Guatemalan military is cooperating with efforts to resolve human rights abuses which elements of the Guatemalan military forces are alleged to have committed, ordered or attempted to thwart the investigation of.

(b) The prohibition contained in subsection (a) shall not apply to funds made available to implement a ceasefire or peace agreement.

(c) Any funds made available pursuant to subsections (a) or (b) shall be subject to the regular notification procedures of the Committees on Appropriations.

(d) Any funds made available pursuant to subsections (a) and (b) for international military education and training may only be for expanded international military education and training.

SANCTIONS AGAINST COUNTRIES HARBORING WAR CRIMINALS

SEC. 569. (a) BILATERAL ASSISTANCE.—The President is authorized to withhold funds appropriated by this Act under the Foreign Assistance Act of 1961 or the Arms Export Control Act for any country described in subsection (c).

(b) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury should instruct the United States executive directors of the international financial institutions to work in opposition to, and vote against, any extension by such institutions of financing or financial or technical assistance to any country described in subsection (c).

(c) SANCTIONED COUNTRIES.—A country described in this subsection is a country the government of which knowingly grants sanctuary to persons in its territory for the purpose of evading prosecution, where such persons—

(1) have been indicted by the International Criminal Tribunal for the former Yugoslavia, the International Criminal Tribunal for Rwanda, or any other international tribunal with similar standing under international law, or

(2) have been indicted for war crimes or crimes against humanity committed during the period beginning March 23, 1933 and ending on May 8, 1945 under the direction of, or in association with—

(A) the Nazi government of Germany;

(B) any government in any area occupied by the military forces of the Nazi government of Germany;

(C) any government which was established with the assistance or cooperation of the Nazi government; or

(D) any government which was an ally of the Nazi government of Germany.

LIMITATION ON ASSISTANCE FOR HAITI

SEC. 570. (a) LIMITATION.—None of the funds appropriated or otherwise made available by this Act, may be provided to the Government of Haiti until the President reports to Congress that—

(1) the Government is conducting thorough investigations of extrajudicial and political killings; and

(2) the Government is cooperating with United States authorities in the investigations of political and extrajudicial killings.

(b) Nothing in this section shall be construed to restrict the provision of humanitarian or electoral assistance.

(c) The President may waive the requirements of this section on a quarterly basis if he determines and certifies to the appropriate committees of Congress that it is in the national interest of the United States.

(d) The authority contained in the previous subsection to make such a determination may be exercised by the President only and may not be delegated.

LIMITATION OF ASSISTANCE TO TURKEY

SEC. 571. Not more than $25,000,000 of the funds appropriated in this Act under the heading ''Economic Support Fund'' may be made available to the Government of Turkey.

REPORTS REGARDING HONG KONG

SEC. 572. (a) Section 301 of the United States-Hong Kong Policy Act of 1992 (22 U.S.C. 5731) is amended in the text above paragraph (1) by inserting ''March 31, 1997,'' after ''March 31, 1996,''.

(b) In light of the deficiencies in reports submitted to the Congress pursuant to section 301 of the United States-Hong Kong Policy Act (22 U.S.C. 5731), the Congress directs that the additional report required to be submitted under such section by subsection (a) of this section include detailed information on the status of, and other developments affecting, implementation of the Sino-British Joint Declaration on the Question of Hong Kong, including—

(1) the Basic Law and its consistency with the Joint Declaration;

(2) Beijing's plans to replace the elected legislature with an appointed body;

(3) the openness and fairness of the election of the chief executive and the executive's accountability to the legislature;

(4) the treatment of political parties;

(5) the independence of the Judiciary and its ability to exercise the power of final judgment over Hong Kong law; and

(6) the Bill of Rights.

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Indiana [Mr. BURTON] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 184, noes 233, not voting 17, as follows:

[Roll No. 212]

AYES—184

Andrews	Burr	Cooley
Archer	Burton	Costello
Armey	Buyer	Cox
Baker (CA)	Calvert	Crane
Ballenger	Camp	Cremeans
Barcia	Canady	Cubin
Barr	Castle	Cunningham
Barrett (NE)	Chabot	Danner
Bartlett	Chambliss	Deal
Barton	Chapman	DeLay
Bass	Chenoweth	Dickey
Bilbray	Christensen	Doolittle
Bilirakis	Chrysler	Dornan
Bliley	Coble	Doyle
Boehner	Coburn	Dreier
Brownback	Collins (GA)	Duncan
Bryant (TN)	Combest	Dunn
Bunning	Condit	Edwards

Ehrlich
English
Ensign
Ewing
Fields (LA)
Flanagan
Foley
Fowler
Fox
Franks (NJ)
Funderburk
Ganske
Gekas
Gillmor
Goodlatte
Goss
Graham
Greene (UT)
Hancock
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hoekstra
Hoke
Holden
Horn
Hostettler
Hunter
Hutchinson
Inglis
Istook
Jacobs
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kingston
Klink
Klug
LaHood
Largent
Latham
Laughlin
Lewis (KY)
Lightfoot
Lipinski
LoBiondo
Longley
Lucas
Luther
Manzullo
McCollum
McHale
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Minge
Montgomery
Moorhead
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Oxley
Paxon
Peterson (MN)
Petri
Pombo
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Riggs
Roberts
Roemer
Rohrabacher
Roth
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shays
Shuster
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Stearns
Stockman
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Thomas
Thornberry
Thurman
Tiahrt
Traficant
Upton
Walker
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Young (AK)
Zeliff
Zimmer

NOES—233

Abercrombie
Ackerman
Bachus
Baesler
Baker (LA)
Baldacci
Barrett (WI)
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bishop
Blumenauer
Blute
Boehlert
Bonior
Bono
Borski
Boucher
Brewster
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Callahan
Campbell
Cardin
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
Cramer
Cummings
Davis
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Durbin
Ehlers
Emerson
Engel
Eshoo
Evans
Everett
Farr
Fattah
Fawell
Fazio
Fields (TX)
Filner
Flake
Foglietta
Forbes
Ford
Frank (MA)
Franks (CT)
Frelinghuysen
Frisa
Frost
Furse
Gallegly
Gejdenson
Geren
Gibbons
Gilchrest
Gilman
Gonzalez
Goodling
Gordon
Green (TX)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hefner
Hilliard
Hinchey
Hobson
Houghton
Hoyer
Hyde
Jackson (IL)
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Knollenberg
Kolbe
LaFalce
Lantos
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Linder
Livingston
Lofgren
Lowey
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCrery
McDade
McDermott
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Millender-McDonald
Miller (CA)
Mink
Moakley
Molinari
Mollohan
Moran
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Orton
Owens
Packard
Pallone
Parker
Pastor
Payne (NJ)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Porter
Rahall
Rangel
Reed
Regula
Richardson
Rivers
Rogers
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Shaw
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Spence
Spratt
Stark
Stokes
Studds
Stupak
Taylor (NC)
Thompson
Thornton
Torkildsen
Torres
Towns
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walsh
Ward
Waters
Watt (NC)
Waxman
Wicker
Williams
Wilson
Wolf
Woolsey
Wynn
Yates
Young (FL)

NOT VOTING—17

Allard
Bonilla
Browder
Brown (CA)
Crapo
Gephardt
Hayes
Jackson-Lee (TX)
Lincoln
McInnis
Myers
Payne (VA)
Schiff
Stenholm
Tejeda
Torricelli
Wise

□ 1503

Messrs. HOLDEN, KLINK, and CHRYSLER changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any amendments to title V?

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. OBEY: On page 82, line 12, strike ''$25,000,000'' and insert, ''$50,000,000''.

Mr. OBEY. Mr. Chairman, this amendment is a very straightforward amendment. It would simply raise to $50 million the limitation now in the bill of $25 million on the amount of noncash support that we can provide for the International War Crimes Tribunal in The Hague.

For those who are not familiar with it, the International War Crimes Tribunal is the first international tribunal for war crimes established since World War II. It has the responsibility for investigating and prosecuting individuals responsible for war crimes in the former Yugoslavia.

The biggest obstacle, frankly, to the functioning of that tribunal has been a simple lack of funds. We seem to want to spend millions for all sorts of special investigations here at home and abroad, but the U.S. has only made modest contributions to the International War Crimes Tribunal.

The victims of atrocities committed in the former Yugoslavia, it seems to me, deserve justice, and the war crimes tribunal is the best way to make war criminals answer for their crimes. Moreover, the best deterrent for those kinds of atrocities in the future is for the war crimes tribunal to try and convict these perpetrators now.

It seems to me we ought not have a limitation on the amount of noncash support that we can provide for this worthwhile item, and if we do have one, as this amendment would still allow, it seems to me it ought to be high enough so that the war crimes tribunal is in fact a real deterrent to some of the kinds of abhorrent actions that we have seen in that part of the world.

So I would simply urge that the amendment be supported in the interest of justice.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in very strong support of this amendment. What this amendment seeks to do is make additional funds available, not additional appropriated funds but from existing appropriated funds, to make a greater sum available for the prosecution of war crimes and for the pursuit of war criminals.

Mr. Chairman, as many Members in this House know, I chaired for many years the Commission on Security and Cooperation in Europe. During the latter part of the 1980's and throughout the 1990's, our Commission held extensive hearings on the tragedy that has occurred in the former Yugoslavia and most particularly in Bosnia-Herzegovina.

The fact of the matter is that since the 1930's and 1940's there has not been on the European continent the commission of atrocities against human beings based upon their ethnicity, nationality or religion, the kind of genocide, and that word properly applies, that we saw and heard testified to in Bosnia.

In fact, as many Members of this House know, more refugees were created in Bosnia-Herzegovina during the prosecution of the Serbian aggression than at any time since the Second World War. That is to say that in the last half a century we did not have the kinds of crimes that were committed in Bosnia.

During the course of testimony before the Helsinki Commission, and I know before the Foreign Affairs Committee as well, we heard of not only the murder of women, children, as well as combatant males and noncombatant males, civilian makes, we also heard of the creation of incarceration camps.

We heard of the creation of camps specifically designed for the purposes of raping Moslem women, for the purposes of degrading those women, for the purposes of intimidating those who were not in custody or under arrest or imprisonment by the Serb aggressors. We heard of the fact that this was a policy, not an aberration.

The Dayton Agreement recognizes the fact that the leader of the Bosnian Serbs, Mr. Karadzic, whom previous Secretaries of State under the Bush administration and the Clinton administration have branded as a war criminal, that Karadzic continued to be the driving force behind the commission of these crimes.

In addition, of course, the military leaders of the Bosnian Serb effort, led by their general, he, too, was as a policy planning and implementing the criminal activity, the murders, the so-called ethnic cleansing that occurred on a daily, weekly, and monthly basis for a very long period of time. This policy created over 2 million refugees, some in-country and some forced to leave their country, but all forced to leave their homes and their neighborhoods.

Mr. Chairman, I urge support of this amendment so that the American people, through the Congress of the United States, will say in as strong terms as possible that we will hold culpable those who as a means of war employ genocide and the commission of atrocities to intimidate and defeat an enemy.

Mr. Chairman, if we do not do this, we will continue to see the cycle of violence that is perpetrated in retaliation for wrongs done against a people years before, decades before, indeed, in some cases centuries before.

Those of us who have traveled to Europe know full well that, particularly in Yugoslavia, we hear about the offenses that were perpetrated against a family and their antecedents, long before they may have been born. They believe that those wrongs must be redressed, and because there has been no mechanism short of warfare, short of the kind of atrocities that we have seen perpetrated in Bosnia, we have in effect set up an environment in which such atrocities were perhaps almost inevitable.

□ 1515

After the Second World War, the civilized society said we are going to hold people culpable. We can argue about whether war is a legitimate exercise of international politics but, that aside, civilized society has said there are certain things even in war that we will not tolerate as a civilized international community.

The CHAIRMAN. The time of the gentleman from Maryland [Mr. HOYER] has expired.

(By unanimous consent, Mr. HOYER was allowed to proceed for 2 additional minutes.)

Mr. HOYER. Mr. Chairman, in a civilized society we will not tolerate some crimes, and we will adjudge the commission of such act as war crimes. And we will, at the appropriate time or as soon as possible, hold accountable those who committed such crimes, whether they be at the lowest levels or whether they be at the highest levels.

Mr. Chairman, this issue is a critical one as we look to a more civilized international community, where we do not redress our differences through armed conflict but redress those grievances through negotiation and through the application of international law.

As we do in this country, ultimately, the application of international law must be done through a tribunal which adjudicates the commission of wrong and then imposes the sanction for the commission of that wrong. One of the restraints on doing that is the financial ability of the War Crimes Tribunal to gather evidence; to go after and arrest international lawbreakers, and to bring those lawbreakers before the court of justice.

Mr. Chairman, it is for that reason that I believe the amendment of the gentleman from Wisconsin [Mr. OBEY] is not only one that is worthy of support, but is one that will ultimately lead to a more peaceful, less violent, more accountable international community. And because of that, I urge its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. OBEY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: Page 97, after line 5, insert the following new section:

LIMITATION ON USE OF FUNDS FOR PURCHASE OF PRODUCTS NOT MADE IN AMERICA

SEC. 573. None of the funds appropriated in this Act may be made available to the government of any foreign country when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) the funds are to be used to purchase any equipment or product made in a country other than such foreign country or the United States; and

(2) substantially similar equipment or products are made in the United States and available for purchase at a price that is not more than 10 percent higher.

Mr. TRAFICANT (during the reading). I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, this amendment basically states that in the foreign aid accounts, those countries that are recipients of our foreign aid, when they make procurements, regardless of what the cost is within their own country, it has no bearing on the amendment.

For example, if they are buying tables, and a table costs $300 in America but the table costs $700 in their own country, they just go right ahead; that is the purpose of our aid. But when that country does not make a table and they go outside their country for procurement, the Traficant amendment says if we are within 10 percent, we can be as high as 10 percent costlier, but that purchase shall be made from the American company.

I believe this is a good amendment. We provide a lot of foreign aid. I realize there will be some concerns about this, but I am willing to work them out in conference as long as the legislative intent is reflected in the final bill.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the distinguished ranking member. I too want to join in on the many accolades given him here today.

Mr. WILSON. Mr. Chairman, I thank the gentleman for his remarks and for yielding to me.

I think the gentleman from Ohio has a good amendment. I think it would be constructive. I think if we furnish foreign aid to countries, they should certainly give American companies, give the American economy the benefit of their purchases.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I thank the gentleman for yielding to me, and I too support the mission of the gentleman. I think it is so important that in the passage of this we should send such a message to the administration and that we have a recorded vote, and I would respectfully request that the gentleman so request that at the appropriate time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. TRAFICANT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 415, noes 1, not voting 18, as follows:

[Roll No. 213]

AYES—415

Abercrombie	Brown (OH)	Crane
Ackerman	Brownback	Cremeans
Andrews	Bryant (TN)	Cubin
Archer	Bunn	Cummings
Armey	Bunning	Cunningham
Bachus	Burr	Danner
Baesler	Burton	Davis
Baker (CA)	Buyer	de la Garza
Baker (LA)	Callahan	Deal
Baldacci	Calvert	DeFazio
Ballenger	Camp	DeLauro
Barcia	Campbell	DeLay
Barr	Canady	Dellums
Barrett (NE)	Cardin	Deutsch
Barrett (WI)	Castle	Diaz-Balart
Bartlett	Chabot	Dickey
Barton	Chambliss	Dicks
Bass	Chapman	Dingell
Bateman	Chenoweth	Dixon
Becerra	Christensen	Doggett
Beilenson	Chrysler	Dooley
Bentsen	Clay	Doolittle
Bereuter	Clayton	Dornan
Berman	Clement	Doyle
Bevill	Clinger	Dreier
Bilbray	Clyburn	Duncan
Bilirakis	Coble	Dunn
Bishop	Coburn	Durbin
Bliley	Coleman	Edwards
Blumenauer	Collins (GA)	Ehlers
Blute	Collins (IL)	Ehrlich
Boehlert	Collins (MI)	Emerson
Boehner	Combest	Engel
Bonior	Condit	English
Bono	Conyers	Ensign
Borski	Cooley	Eshoo
Boucher	Costello	Evans
Brewster	Cox	Everett
Brown (CA)	Coyne	Ewing
Brown (FL)	Cramer	Farr

Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Jackson (IL)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—1

Kolbe

NOT VOTING—18

Allard
Bonilla
Browder
Bryant (TX)
Crapo
Gephardt
Istook
Jackson-Lee (TX)
Lincoln
McInnis
Meyers
Myers
Peterson (FL)
Rose
Roth
Schiff
Thornton
Wise

□ 1542

Mr. BRYANT of Tennessee, Mrs. KELLY, and Mr. CLINGER changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. PORTER. Mr. Chairman, I move to strike the last word, and I yield to the gentleman from Texas [Mr. LAUGHLIN].

Mr. LAUGHLIN. Mr. Chairman, I thank the distinguished gentleman from Illinois for yielding to me and would enter into a short colloquy with him to ascertain the committee's legislative intent on the amendment to assist refugees and displaced persons in Azerbaijan and Nagorno-Karabagh.

I ask the gentleman if it is the legislative intent that there be no comment on the sovereignty and territorial integrity of the Republics of Azerbaijan and Nagorno-Karabagh.

Mr. PORTER. Mr. Chairman, referring to the bill language, pages 21 and 22 of the bill, section (m) (1) through (3), the purpose of this subsection, as stated in the report accompanying the bill, is to provide for the improved delivery of humanitarian assistance in Azerbaijan and for the delivery of humanitarian assistance in Nagorno-Karabagh. Also as stated in the report accompanying the bill, the committee expresses no view whatsoever on the political status of Nagorno-Karabagh.

□ 1545

Mr. LAUGHLIN. In other words, the amendment is neutral on the territorial rights of the Republic of Azerbaijan.

Mr. PORTER. The committee expresses no view whatsoever on political status.

Mr. LAUGHLIN. Mr. Chairman, I thank the gentleman.

Mr. ENGEL. Mr. Chairman, I move to strike the last word.

As everyone knows, I have submitted an amendment, amendment 9, which was in title II, which I will not submit, involving the situation of the majority of Albanians in Kosovo, and I am wondering if I can ask the distinguished gentleman to engage in a colloquy with me.

Mr. Chairman, after years of repression, the humanitarian situation in Kosovo is very grim. Recent reports by respected international relief groups spell out the seriousness of the situation. According to O. Terry Heselius, Country Director of Kosovo for Mercy Corps International, ''because there has not been 'all out war' in Kosovo, many people have difficulty in understanding the severity of the situation and the need for continued emergency humanitarian aid relief.''

Given the difficult circumstances and the importance of maintaining stability in Kosovo, I firmly believe that it is in the interest of the United States to continue our humanitarian assistance program for Kosovo at last year's level of $6 million. I ask my friend, the distinguished gentleman from Alabama and chairman of the Subcommittee on Foreign Operations [Mr. CALLAHAN], does he agree that the Office of Foreign Disaster Assistance should again provide $6 million to Kosovo in fiscal year 1997?

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I thank the gentleman from New York [Mr. ENGEL] for his inquiry. I am aware of the difficult humanitarian situation facing the people of Kosovo and agree that OFDA should provide $6 million for humanitarian relief in Kosovo again in fiscal year 1997.

Mr. ENGEL. OK.

Mr. Chairman, I thank the distinguished gentleman from Alabama for his support.

The CHAIRMAN. Are there further amendments to title V?

AMENDMENT OFFERED BY MR. KENNEDY OF MASSACHUSETTS

Mr. KENNEDY of Massachusetts. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KENNEDY of Massachusetts: Page 97, line 5, insert the following new section:

PROHIBITION OF FUNDS FOR SCHOOL OF THE AMERICAS

SEC. 573. None of the funds made available in this Act may be used for the School of the Americas.

Mr. KENNEDY of Massachusetts. Mr. Chairman, a couple of days ago a good friend of mine, Sister Clara O'Meara, a 74-year-old Ursuline nun, entered Danbury Prison in Connecticut. In the next few days Father Roy Bourgeois will enter prison in the Federal system. He is a Maryknoll priest. They and several others recently protested this country's involvement in the funding of the School of the Americas. They did so because they believe that this school that has as its graduates 16 out of the 28 officers involved in the murder of six priests and nuns in El Salvador; Roberto D'Aubuisson, the death squad leader of Central America, Manuel Noriega himself, and a current convicted criminal in our own prison system; Leopoldo Galtieri, one of the great human rights abusers of all time, from Argentina; Hector Gramahoe, recently convicted by courts in this country of rapes and killings in Guatemala, responsible for the overthrow of that government and responsible for the rape of Sister Diana Ortiz as well as the killing of Jennifer Harbury's husband.

The list goes on, and on, and on.

This institution is a relic of the cold war. It associates the people of this country far too closely with the terrible regimes, militaristic in their nature, that were so much a part of the culture of Latin America over the course of the last several decades.

I believe that it is important that the United States work in a cooperative fashion with the military regimes throughout Latin America. What I do not think is right is for the United States of America to be involved in teaching those armies how to kill, how to rape, how to torture.

This school, make no mistake about it, has been involved in teaching people that come from these foreign countries in the United States how to torture people in those countries. It is morally reprehensible, it is wrong, and I urge this Congress to withdraw the funding that we currently provide to the School of the Americas.

I know that this has been a controversial issue. We have voted on it times in the past. We have come close to winning, 2 years ago. I am concerned that the votes that we would get on the House floor today would not equal the votes that we have gotten in the past, and I am going to withdraw this amendment before we come to a vote because we want to preserve our capability of winning on this issue in the future.

We have before us a new proposal, a proposal to not defund the School of the Americas completely, but rather to do away with it as we know it today and to reopen a new school that could teach democracy, that could teach people the rule of law, that could teach people that come from these foreign countries respect for civilian authority, that could teach them the understanding of human rights that is so much a part of our military service.

I am very proud of the U.S. military, but I do not believe the U.S. military does this country proud when it is itself tainted by these reprehensible regimes that are so much a part of Latin America over the course of the last couple of decades.

So let us break that tie, let us go forward with a new kind of school of democracy that in fact will teach those individuals that come from these Latin American regimes what the basis of our fundamental democracy and rule of law and our respect for human rights that has been so much a critical component of our own military in the United States.

And I appreciate the understanding of the gentleman from Alabama [Mr. CALLAHAN] of my intent, and I do want to just pay a particular tribute to someone whom I have a tremendous amount of respect for who is one of my closest personal friends in the Congress of the United States.

Mr. Chairman, this country loses a tremendous servant, public servant, who has dedicated his life, has risked his life time and time again for the principles of democracy, has stood tall for our military, and I am proud to stand tall as his friend, and I appreciate so much all the contributions that the gentleman from Texas [Mr. WILSON] has made to our country, and I wish him the best as he goes on to another career.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BURTON of Indiana: Page 95, line 12, insert before the semicolon the following: ‘‘, including the murders of Mireille Bertin, Michel Gonzalez, and Jean Hubert Feuille’’.

Mr. BURTON of Indiana. Mr. Chairman, last fall we had a hearing on Haiti, and during that hearing we had the administration’s point man, Ambassador James Dobbins, appear before the committee, and we asked him about the progress that was being made about the FBI investigation into the murders, the political murders that were taking place in Haiti, particularly the murder of Ms. Bertin, which took place in broad daylight in downtown Port-au-Prince. We subsequently found out during that hearing that Mr. Dobbins misled the committee. In fact, he lied to the committee. He said that the people in the Embassy down there, particularly himself, was not aware of FBI information that indicated that the Aristide government might have been involved in the murder of Ms. Bertin. The FBI agent that was in charge was sitting at the table with him and indicated that everybody at the Embassy had been notified about the investigation and that there was no cooperation from the Aristide government.

The fact of the matter is there have been a lot of political assassinations that have taken place in Haiti, and none of these people connected with the government has ever been brought to justice. As a matter of fact, there were 13 people that allegedly had something to do with Ms. Bertin’s death in the Haitian Government down there, and the government itself defended those people with government-sponsored lawyers.

Now, in addition to that, our general in charge knew about the potential assassination of Ms. Bertin prior to her being killed, and instead of telling her and her family that she was a target for assassination, they went to Mr. Aristide’s government, and that is like going to somebody who has a gun pointed at them telling them they might get shot.

The fact of the matter is the Aristide government is believed to have been behind the assassination of Ms. Bertin and our general down there was talking directly to them instead of Ms. Bertin herself.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, I just would like to express my support for the gentleman’s amendment and say that this side has no objection to it.

Mr. BURTON of Indiana. Mr. Chairman, I say to the gentleman from Texas, ‘‘Thank you very much.’’

Let me just conclude then, if the amendment is going to be accepted. What my amendment does is it says on page 95, line 12, that the administration must give a report before any additional money goes to Haiti on the murders of Ms. Bertin, Mr. Gonzalez, and Mr. Feuille in addition to other political assassinations that may have taken place.

I want to thank my colleague for agreeing to accept the amendment. I presume that my colleague, the chairman of the subcommittee, will accept it as well.

The CHAIRMAN. The questions is on the amendment offered by the gentleman from Indiana [Mr. BURTON].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title V?

AMENDMENT OFFERED BY MR. VISCLOSKY

Mr. VISCLOSKY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. VISCLOSKY: Page 85, line 8, insert after ‘‘Funds’’ the following: ‘‘(other than funds appropriated in this Act under the heading ‘Economic Support Fund’)’’.

Mr. VISCLOSKY. Mr. Chairman, I offer a bipartisan amendment in conjunction with the gentleman from Florida [Mr. BILIRAKIS], the gentleman from Massachusetts [Mr. KENNEDY], the gentleman from Illinois [Mr. DURBIN], and the gentleman from New Jersey [Mr. SMITH].

Our amendment would narrow the authority of the President to provide U.S. economic assistance to countries found to be in violation of the U.S. Humanitarian Aid Corridor Act. The Humanitarian Aid Corridor Act was signed into law in 1995, prohibits foreign aid to any country that blockades the delivery of U.S. disaster relief supplies to a third country as that currently applies to the country of Turkey which, since April 1993, has blocked all U.S. disaster relief assistance and International Red Cross medical supplies bound for the landlocked country of Armenia.

In addition to Turkey’s ongoing blockade of humanitarian assistance to Romania, Turkey is continuing its illegal occupation of northern Cyprus, its internationally condemned war against the Kurds living in southeast Turkey,

its persecution of Christians and its aggressive policy in the Aegean Sea which very nearly resulted in an armed confrontation with Greece earlier this year.

The Clinton administration has failed to address these issues. In fact, last month President Clinton rejected clear congressional intent by waiving the application of the Humanitarian Aid Corridor Act to Turkey. As I stated before, U.S. law today prohibits U.S. economic or military assistance to any country that directly blockades the transport of U.S. disaster assistance or emergency relief supplies to a third country.

Authored in the House by the gentleman from New Jersey, Mr. SMITH and the gentleman from Massachusetts, Mr. KENNEDY, and in the Senate by Senators DOLE and SIMON, this law applies to Turkey because of its ongoing blockade of all U.S. and international humanitarian relief supplies bound for Armenia.

In order to maintain U.S. pressure on Turkey, we are offering this amendment in a bipartisan fashion to ensure that Turkey complies with the Humanitarian Aid Corridor Act before it receives any additional U.S. economic support funds.

Specifically, our amendment will narrow the Presidential waiver authority contained within the act, ending the ability of the President to invoke a national security waiver in order to provide up to $25 million in fiscal year 1997 in economic assistance funds to Turkey.

□ 1600

Mr. Chairman, while our amendment would cut $25 million in economic aid to Turkey if they do not lift the blockade of Armenia, it would have absolutely no effect on U.S. military assistance to Turkey. I repeat that. It would have absolutely no effect on U.S. military assistance to Turkey, which, in fiscal year 1997, is scheduled to exceed $140 million.

Turkey's hostile and aggressive actions in the last 11 months demand a response from this country. The Clinton administration has failed to adequately do so, and it is up to the Congress to make a clear, decisive statement to Turkey that its hostile and aggressive policies against other countries will not be tolerated or rewarded by the people of the United States.

Mr. Chairman, I strongly support a policy of positive engagement with Turkey. However, we cannot condone blindly giving foreign aid and economic assistance dollars to a country which so routinely violates the rights of its neighbors.

Mr. Chairman, I would encourage my colleagues to support this bipartisan measure.

Ms. FURSE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rise today in support of this amendment, but also I want to take this opportunity to salute a colleague of mine from the other side. The gentleman from Illinois [Mr. PORTER] has put so much effort into the issues of human rights and, in particular, Turkey, that I would like to take this opportunity to salute him.

Mr. Chairman, I myself have worked hard on the case of Leyla Zana, a Kurdish parliamentarian who has been imprisoned by the Turkish authorities for speaking out on behalf of the people she represents. The gentleman from Illinois has been helpful to me in that effort, and he is always there to speak out for the downtrodden. It is so important, Mr. Chairman, that people like him are willing to take stands that are not popular, but are issues of life and death to the voiceless of the world. There is no more important work we do.

The gentleman from Illinois [Mr. PORTER] is a light for those who live in the darkness of oppression and injustice. I so much appreciate his courage that I would like to speak out on this floor to tell him how much his work means to those of us who work on human rights and for those who are imprisoned around the world.

Mr. Chairman, I support this amendment.

Mr. GILMAN. Mr. Chairman, I move to strike the last word.

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

Mr. GILMAN. Mr. Chairman, I am pleased to rise in support of the amendment offered by the gentleman from Indiana which will send, I think, a clear message to Ankara that Turkey needs to end its blockade of Armenia and needs to do it soon.

I might remind our colleagues that in addition to our concerns over the blockade on U.S. humanitarian assistance, Turkey continues to occupy northern Cyprus with some 35,000 troops. It has done that for some 22 years. Turkey has recently asserted a claim to the islet of Imir, which was ceded to Greece by a valid treaty more than half a century ago. Finally, Turkey has yet to fully recognize the cultural and political rights of the Kurdish people and is waging a brutal military campaign to suppress the legitimate aspirations of the Kurdish people.

Mr. Chairman, this amendment, while preserving the necessary discretion of the President to safeguard important United States interests in regard to our relations with Turkey, also signals that economic assistance provided by U.S. taxpayers should not, under any circumstance, go to any government which frustrates our humanitarian objectives by blocking U.S.-provided aid to another country.

Mr. BILIRAKIS. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. BILIRAKIS. Mr. Chairman, I rise in support of this amendment.

Mr. Chairman, I express my pride in joining with the gentleman from Indiana [Mr. VISCLOSKY] in this amendment. This amendment, which has already been said, will narrow the President's waiver authority under the Humanitarian Aid Corridor Act which prohibits U.S. funds available under the foreign operations appropriations bill from going to countries that block U.S. humanitarian assistance. While this amendment is not country specific, the only country in violation of the Humanitarian Aid Corridor Act is Turkey. Therefore, our amendment will ensure that Turkey does not receive economic support funds until it ends its blockade of U.S. humanitarian assistance to Armenia.

Turkey has signed numerous international agreements guaranteeing human rights and freedom of religion. Despite this, Turkey continues its illegal blockade of U.S. assistance to Armenia. Turkey began its blockade of Armenia in April 1993, when it refused to allow land or air passage to the International Red Cross relief workers bound for Armenia with medical supplies to be used for disaster relief.

Turkey also continues its suppression of religious expression within its borders. The Turkish government has systematically repressed the religious freedom of the Greek community and other ethnic minorities in Turkey.

Particularly disturbing to me is Turkey's failure to take strong action in the wake of several recent terrorist attacks against ecumenical patriarch Bartholomew I. The patriarch is the spiritual leader of the eastern Orthodox Christian church, representing over 250 million Orthodox Christians worldwide, including over 5 million residing in the United States.

In addition, Turkey continues its illegal occupation of northern Cyprus—one recognized by no other government. Turkey continues to station more than 30,000 troops on the island of Cyprus and also maintains 65,000 settlers there. In fact, the amount of U.S. aid we send to Turkey each year is roughly equal to the amount needed to maintain the 30,000 plus troops illegally occupying Cyprus.

Altogether, this illegal occupation represents over two decades of division, over two decades of human rights violations, and over two decades of cultural destruction.

On May 16, President Clinton waived the Corridor Act with regard to Turkey, clearing the way for continued U.S. economic assistance. Opponents of our amendment argue that it ''would effectively curtail U.S.-Turkish cooperation and counter U.S. foreign policy interests.'' By defending the presidential waiver of the Corridor Act, our opponents are acknowledging that Turkey is in violation of the Act.

Mr. Chairman, last year, Congressman PORTER of Illinois offered a similar amendment that cut economic aid to Turkey to hold Turkey accountable

for its egregious human rights violations and suppression of religious freedom. His amendment passed the House with the bipartisan support of 247 members.

I urge my colleagues to again hold Turkey accountable for its continued violations of human rights by supporting this much needed amendment. Neither the American people nor the U.S. Congress should tolerate, much less subsidize, Turkey's illegal and immoral blockade of Armenia.

Is it right, we have to ask ourselves, is it right that they receive U.S. taxpayers' economic support while at the same time they prevent assistance, they prevent the same type of assistance to Armenia, and also are very guilty of other human rights violations? I think not. If my colleagues agree then they must vote for this amendment.

Mr. PALLONE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Visclosky amendment.

Mr. Chairman, the purpose of this amendment is essentially to put enforcement teeth in a provision that is already part of the foreign operations bill: The Humanitarian Aid Corridor Act.

Speaking in my capacity as the co-chairman of the Congressional Caucus on Armeniase oren Issues, I applaud the chairman and members of the subcommittee for once again, as they did last year, including this important provision which restricts U.S. aid to those countries blocking delivery of humanitarian aid to third countries. While this provision is not country-specific, it clearly applies to Turkey, which for more than 3 years has maintained a blockade of neighboring Armenia. While the people of Armenia are struggling to build democracy and reform their economy according to market principles, the blockade imposed along their border with Turkey disrupts the delivery of vitally needed humanitarian supplies.

The Corridor Act provision was in last year's Foreign Ops bill, which finally became law earlier this year. Unfortunately, the current provision allows for a Presidential waiver and last month President Clinton exercised that waiver. I deeply regret that decision, and I joined with the gentleman from Illinois [Mr. PORTER] and 27 other Members in sending a letter to the President protesting this decision.

The amendment by the gentleman from Indiana [Mr. VISCLOSKY] would remove this waiver and I urge support to help enforce the intent of Congress.

Not only do I disagree with the President's waiver on substantive and moral grounds. I am particularly dismayed with the procedural way in which the waiver was handled by the administration. We learned about the waiver almost by accident, through a statement made by Turkish Foreign Minister Emre Gonensay, who, speaking at a press conference on May 21, 1996, indicated that the national security waiver had been invoked. Subsequently, it was confirmed by officials at the State Department and the National Security Council that the waiver was invoked on May 16, 1996.

I cannot understand why the Turkish Foreign Ministry was aware of this information before the Congress. Given the strong statement of congressional intent, we believe it would have been appropriate for the administration to have advised Members of Congress of its plans with regard to the waiver, and hope the administration will consult with Congress in the future.

Furthermore, I am concerned that the language in the Presidential Determination contains no reference to the Turkish blockade of Armenia. Failure to at least mention the blockade in the context of the determination to waive the Corridor Act sends the disturbing signal that the United States is not concerned about the ongoing, illegal blockade of a small country striving to establish democracy and a market economy. I hope the administration will make a top priority of imploring the Turkish Government, the recipient of so much U.S. aid, to lift its blockade of Armenia and accept Armenia's offer to normalize relations without preconditions.

This amendment will help make that happen.

Mr. Chairman, supporters of this amendment bear no ill will to the Turkish people and we recognize the strategic importance of relations with Turkey. We are simply saying that maintaining good relations should not entail turning a blind eye to the outrageous actions committed by Turkey. Given the generosity the United States has shown toward Turkey, it is appropriate to attach conditions—particularly such a basic condition as allowing the delivery of aid to a neighbor in need. Such a condition should be a basic requirement for any recipient of U.S. aid. I think most of the American people would be shocked to know that such a provision is not already a requirement on the recipients of U.S. assistance.

Armenia is a small, land-locked nation dependent on land corridors through neighboring countries for many basic goods. Armenia has been one of the most exemplary of the former Soviet republics in terms of moving toward a Western style political and economic system. The Armenian people respect and admire the United States. There are more than 1 million Americans of Armenian ancestry. The bonds between our countries are strong and enduring. But the people of Armenia face a humanitarian crisis which is not the result of any natural disaster but the deliberate policy of its neighbor to choke off access to needed goods from the outside world. We believe the exertion of U.S. leadership can play a major role in easing tensions and promoting greater cooperation among the nations of the Caucasus region. Enforcement of the Humanitarian Aid Corridor Act must be an important component of those efforts. I urge support for the Visclosky amendment.

Mr. SMITH of New Jersey. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Visclosky-Smith-Bilirakis-Kennedy amendment to the fiscal year 1997 foreign operations appropriations bill.

Last year's foreign operations appropriations bill included the Humanitarian Aid Corridor Act, which bans U.S. Government assistance to any country that prohibits or restricts the transport or delivery of U.S. humanitarian aid to other countries. The act, which I had the honor of introducing in the House, permits a Presidential waiver of the ban, if he determines that U.S. national security interest demands one. The justification for our amendment today is simple enough. This amendment would not allow the President to use the waiver under the Humanitarian Aid Corridor Act to provide economic support funds to countries that impede the delivery of U.S. humanitarian aid.

The Corridor Act mentioned no country by name, but everyone knew it was aimed at Turkey, which has been blockading Armenia for years. Ankara has stubbornly refused to allow transshipment across Turkish territory to Armenia of United States humanitarian aid, specifically, clothing, food, and medicine for hundreds of thousands of refugees.

In refusing to open a land corridor, Ankara points to the occupation by Armenian forces of Azerbaijani territory. But Turkey's close relationship with Azerbaijan or its approach to the Nagorno-Karabakh conflict does not justify or excuse blocking the delivery of United States humanitarian aid to Armenia. Turkey's behavior in this respect is simply scandalous.

Unfortunately, the Clinton administration has shown its unwillingness to press Ankara to rethink its policy. A couple of weeks ago, the President determined it was in the national security interest of the United States to waive the application of the Humanitarian Aid Corridor Act to Turkey. In essence, President Clinton continues to reward Ankara even though they have blocked U.S. humanitarian aid from people in need. Also galling is the manner in which the White House exercised its option. The White House did not have the courage or the courtesy of informing Congress of the President's decision to exercise the waiver until the news was broken, post facto, by Turkish Foreign Minister Gonensay, who announced it at a May 21 press conference in Washington. The waiver, it turns out, had been exercised 5 days earlier, on May 16.

Why didn't the administration have the courage to inform Congress before

May 16, or at the very latest, on May 16. Why did we have to hear about this from Foreign Minister Gonensay. Was the White House hoping nobody would notice.

If so, that hope was in vain. Not only did we notice, we are now determined to act, so that the will of Congress, as inscribed in the Humanitarian Aid Corridor Act, which has strong bipartisan support, will be done. The Visclosky-Smith-Bilirakis-Kennedy amendment, while allowing the President to waive the laws application for genuine national security interests, would remove economic support funds from the waiver. If the President exercised the waiver, the United States could continue to provide military assistance to the country in question. But economic aid would be barred, so long as the country was in violation of the Humanitarian Aid Corridor Act.

This amendment is a measured and fair response to the President's waiver of last month. It puts the White House on notice that Congress is serious about its commitment to provide humanitarian assistance to those in need. The amendment also provides further incentive to Ankara to allow United States humanitarian assistance across its territory to refugees in Armenia. Turkey has suffered no consequences for its blockade of Armenia, and evidently has no reason to reconsider its foolish, mean-spirited policy. This amendment aims to supply one, and I urge my colleagues to support it.

Mr. Chairman, we recognize the strategic importance of Turkey and maintain the waiver for assistance other than economic support funds. I would contend that human rights violations, whether committed by enemies or allies, should never be ignored. As my colleagues have noted during debate on the rule, and in conjunction with this amendment, the ongoing human rights violations in Turkey are disturbing. For example, free expression restrictions, widespread torture, and repression in southeastern Turkey continue to pose serious concerns about the health of Turkish democracy and the status of reforms. Although the Turkish Parliament recently amended article 8 of the 1991 anti-terror law that criminalized separatist propaganda and then released more than 100 political prisoners, the amended article 8 has been used to prosecute at least 35 individuals—including Turkey's best known author. According to yesterday's Financial Times, 154 statutes impose restrictions on free speech, and many are to punish peaceful, free expression, including article 7 of the anti-terror law and article 312 of the penal code.

Persistent, widespread torture continues to mar Turkey's democratic credentials, although officials have made public statements condemning torture. Human rights observers reported at least 69 torture-related deaths in detention since 1993. Forty-eight police officials involved in the beating death of a journalist last January were arrested (one subsequently alleged torture), yet the 1995 State Department Human Rights Report states, ''The climate of impunity that the relatively small number of convictions creates remains the single largest obstacle to reducing unlawful killing, torture, and other human rights abuses.'' Currently, the Foreign Ministry is orchestrating a campaign to halt the Human Rights Foundation of Turkey's torture rehabilitation efforts.

The Turkish military's 12-year-old, $7 billion-a-year campaign against Kurdish militants poses another threat to stability and Turkish democracy. Under the mantle of combating terrorism, the military conducts a violent campaign responsible which has claimed almost 20,000 lives and takes an increasing toll on civil liberties. Turkish forces have destroyed or evacuated more than 2,500 Kurdish villages in southeastern Turkey and have created almost 3,000,000 internal refugees. Death squads connected with security forces and armed Islamic extremists have been responsible for hundreds of unsolved killings and disappearances.

Mr. Chairman, I want to say how proud I am that this bipartisan group of Members offering this particular amendment is united in our concern about suffering refugees. We are all concerned about human rights, and we speak out on human rights abuses whenever and wherever they exist; but in this case we have an opportunity to help people with our medicines, our food, our clothing, and all we are asking for is a way, a land route to transship them. Unfortunately, that has been blockaded. This is a very good amendment and deserves the support of my colleagues.

Mr. DURBIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Indiana [Mr. VISCLOSKY], the gentleman from Florida [Mr. BILIRAKIS], the gentleman from Massachusetts [Mr. KENNEDY], the gentleman from New Jersey [Mr. SMITH], and myself. This amendment is about a matter of fundamental principle that any nation that asks for aid from the American people must not, in turn, deny aid to its neighbors.

This fundamental principle was enacted into law last year when Congress included the Humanitarian Aid Corridor Act in the fiscal year 1996 appropriation bill. This amendment would simply narrow the waiver authority of the President in last year's bill.

□ 1615

It would prohibit economic support funds to any nation that violates the Humanitarian Aid Corridor Act, even if the President grants a waiver. The amendment is carefully crafted, only applying to the economic support funds. It does not apply to other forms of assistance, such as humanitarian assistance.

The people of Armenia have suffered for decades, some say for centuries. They are suffering now from a brutal blockade. This blockade has prevented the delivery of assistance to 300,000 Armenian refugees and obstructed the rebuilding of earthquake damage which left 5000,000 people in Armenia homeless. The blockade has cut off the transport of food, fuel, medicine, and other humanitarian assistance to the people of Armenia.

In this time of crisis, the people of Armenia need our strong support. As long as Armenia is blockaded by its neighbors, the United States should stand resolute and firm in the position that we will not provide assistance to the governments that are imposing this blockade and I rise in strong support of this amendment which I am cosponsoring.

Mr. CALLAHAN. Mr. Chairman, I ask unanimous consent that during further consideration of the bill, it shall be in order to consider the following amendments as though offered during consideration of the title of the bill to which drafted:

The amendment numbered 42 by Mr. OBEY;

The amendment numbered 44 by Mr. OBEY;

The amendment numbered 29 by Mr. OBEY;

The amendment numbered 30 by Mr. OBEY; and

The amendment numbered 74 by Ms. WATERS.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mrs. LOWEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong support of the Visclosky amendment to strengthen the Humanitarian Aid Corridor Act.

This amendment would make it more difficult for countries to block U.S. humanitarian assistance from reaching its destination.

Mr. Chairman, Turkey continues to impose a cruel and illegal blockade against Armenia. Critical humanitarian assistance is not making it to the needy people of Armenia because of this blockade. This is unconscionable, and this amendment will help to lift this terrible blockade.

The Humanitarian Aid Corridor Act, which was included in last year's foreign aid bill, prohibits United States assistance to countries like Turkey that impose cruel blockades of humanitarian assistance. This amendment strengthens this important provision to ensure that it actually accomplishes its goal: to end blockades of humanitarian assistance.

Mr. Chairman, in 1993 Turkey began its blockade of Armenia by refusing to allow passage of International Red Cross workers bound for Armenia. Since then, Turkey has continually refused to allow these relief workers into

Armenia. Very simply, this is a fundamental violation of human rights.

We continue to give Turkey economic assistance each year, and Turkey continues to disregard our calls for improvements in its human rights. Turkey has been illegally occupying Cyprus for over two decades, it has used United States assistance to threaten our ally Greece, and it has engaged in atrocious human rights violations against the Kurds. We cannot tolerate this any longer.

Mr. Chairman, this amendment will not solve all of the concerns we have about Turkey's human rights record. But it will send a clear signal that we will not tolerate any blockade of humanitarian assistance. I urge my colleagues to support this amendment.

Mr. BURTON of Indiana. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I may be a voice in the wilderness, but I do not agree with all of my colleagues who have preceded me.

Mr. Chairman, Turkey has been an ally of the United States through thick and thin. In the Persian Gulf war we had our bases in Turkey. During the Persian Gulf war they cut the Iraqi pipeline and hurt their economy dramatically. During the war in Somalia, Turkey sent their troops there to help us. In fact, Turkey has been with us as a NATO ally from day No. 1, day No. 2, day No. 3, day No. 4, but we seem to have a penchant in this Congress of kicking our friends in the teeth and embracing those who are not our friends.

Now, let me give my colleagues some facts about Turkey and about the Armenian problem that have not been discussed today. First of all, Turkey recognized Armenia immediately after its independence from the Soviet Union and publicly stated its willingness to establish good neighborly relations with Armenia. Top level Armenian and Turkish officials continue right now discussing bilateral relations. Turkey closed its land border with Armenia only after Armenia escalated the cargo conflict by invading Azerbaijan proper. That is when they closed the border, after they invaded Azerbaijan proper. Currently 20 percent of Azerbaijan is occupied by Armenian forces. One-fifth of Azerbaijan is occupied by Armenian forces.

Turkey's position is consistent with its opposition to territorial gain through the use of force. Turkey was one of the first countries to condemn Iraq's invasion of Kuwait and to participate in the Iraqi embargo, and it cost Turkey, get this, them working with us, cost Turkey over $20 billion.

Turkey's participation was crucial in the allied success of the gulf crisis. It is inaccurate to say that Armenia does not receive humanitarian assistance because of Turkey. Container transit shipments occur via Izmir and the Turkish Straits to Batum, Georgia, only a few kilometers away from the nearest Turkish port.

Transit passage between the two countries continues. Armenian Airlines conduct weekly flights from Yerevan to Istanbul. Armenians can travel to Turkey freely, conducting suitcase trade. Those who purport a different reality should provide concrete figures to support their arguments.

Turkey has made efforts to normalize relations with Armenia. As a goodwill gesture in April 1995, Turkey opened air corridor H–50 connecting Erzurum to Yerevan. Soon after taking office, Prime Minister Mesut Yilmaz announced Turkey will open its border with Armenia provided, there is a bilateral agreement on the declaration of principles. Turkey is an active member of the Minsk group and plays a key role in achieving this goal.

As the only remaining superpower in a world threatened by ethnic strife, the United States must maintain impartiality in order to be a constructive influence in containing and resolving these conflicts. Perceived United States partiality in the Caucasus would undermine progress in ongoing Armenian-Azerbaijan talks. Further, the power of the President to execute foreign policy consistent with national security interests should not be curtailed by Congress. Foreign assistance to Turkey has been drastically reduced in the last 5 years.

Now, let me say, the Turkish Parliament will consider the extension of Operation Provide Comfort in June. Adoption of an anti-Turkish amendment like this one will adversely affect the vote on its mandate. Such amendments also insult the Turkish people and raise questions in Turkish public opinion about the strength of the United States-Turkish partnership, thereby endangering the pursuit of common goals in such volatile regions of the world.

Let me just end up by saying, Turkey, I want to state one more time, may be like the United States, imperfect in some regard, but Turkey has been there every single time we needed them.

I see some of my colleagues nodding their heads saying yes, but, but, but. But they were there when we needed them in the Persian Gulf. They were there in Somalia, they were there in Korea. They were there every time, in NATO, base rights, cutting off oil, $20 billion in losses to their own economy to help us and to help the free world.

Now, my colleagues need to think long and hard and make absolutely sure the are doing the right thing before they kick them in the teeth.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, first of all, I do not think anybody is talking about kicking the Turks in the teeth. What we are talking about is the fact that right now, if the Turks were so interested in providing humanitarian aid to the Armenians, all they have to do is flip a switch. They flip a switch and the lights go on throughout Armenia. They flip a switch and the wheat flows into Armenia. They flip a switch and trade is normalized.

I agree that the Turks have done great things for the United States. But the truth of the matter is that this is a democracy that has an opportunity to do great things for the whole caucasus region, including the Kurds. I know my friend from Indiana is concerned about the Kurds. But time and time again, this regime in Ankara has suppressed the rights of individuals and has suppressed the rights of the Armenian people to get basic humanitarian aid.

I would just ask the gentleman from Indiana [Mr. BURTON], as we are complimenting the Turks on some of the great things that they have done in conjunction with this country, to please urge those Turks to open up the pipleine, open up the fuel line.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. BURTON] has expired.

(On request of Mr. KENNEDY of Massachusetts, and by unanimous consent, Mr. BURTON of Indiana was allowed to proceed for 2 additional minutes.)

Mr. BURTON of Indiana. Mr. Chairman, let me just say, as I said in my statement here, that Azerbaijan, 20 percent of Azerbaijan is occupied by the Armenians. Let me just say, they are in talks right now, and the Turkish Government and the Armenians are in consultation with one another, and if they can work out these differences, I think they will resolve that problem. But for us, the United States of America, to kick a friend in the teeth when this kind of a situation is going on does not make any sense to me.

Now, there are humanitarian planes going in there, there is humanitarian aid going in, maybe not to the extent that we want, but it is moving in the right direction, and the pressure, according to the Turkish Government, needs to be consistent in order to bring about a withdrawal from Azerbaijan by Armenian forces.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. BURTON] has expired.

(On request of Mr. WILSON, and by unanimous consent, Mr. BURTON of Indiana was allowed to proceed for 2 additional minutes.)

Mr. BURTON of Indiana. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, I would like to compliment the gentleman on his statement, and I would like to say one thing that has not been pointed out that I think should weigh very, very heavily on our consideration here is the extremely fragile political situation that exists in Turkey today. As the gentleman from Indiana [Mr. BURTON] knows, the largest party in Turkey today is the radical Islamic party. A very fragile coalition of the two nonradical Islamic parties has just fallen

apart. This is the worst time that we could pick to punish Turkey who, as the gentleman has pointed out, has been a staunch ally.

Turkey recognized Israel in 1949 and for three decades remained the only Muslim country to have full diplomatic representation in Tel Aviv and all of the other things, down through Korea, down through the gulf war. I would just like to associate myself with the gentleman's remarks.

Mr. BURTON of Indiana. Mr. Chairman, I thank the gentleman. Let me just follow up on what he has said.

Everybody is concerned about Iran and the terrorism that has been exported from Iran throughout the Middle East. As the gentleman has just stated, Iran has a great deal of influence in countries like Turkey, and it is a very fragile situation right now. If we do not make the right decisions, we could very well be a party to pushing Turkey and their government in the wrong direction.

Do we want another Iran in the Middle East? Do we want the Turkish Government to start adopting their policies? It does not make any sense, particularly when you view the fact that Turkey has been there from day one with us.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I would just point out that Iran also has a border with Armenia. This is a democracy that has an ability to have a great deal of influence in that region, and a real democracy that has the ability to have influence, and not one that has suppressed the Kurds, not one that is occupying Cyprus, not one that has so often been involved in human rights abuses in terms of Armenia. And Armenia is occupying part of Azerbaijan, and we have to ask ourselves, why is that true? Is it not true that Stalin in fact took away Nagorno-Karabagh from Armenia, broke that country up as a result of his concerns about the strength of the Armenian people. And is it not true that all they are trying to do right now is get back part of the land that really is part of their country?

Mr. BURTON of Indiana. Mr. Chairman, reclaiming my time, I do not know how far the gentleman from Massachusetts [Mr. KENNEDY] wants to go back. We can go back 50, 70 years. I do not know how far back the gentleman wants to go back.

Mr. KENNEDY of Massachusetts. Mr. Chairman, if the gentleman would yield, I would be happy to go back to 1918.

Mr. BURTON of Indiana. Mr. Chairman, reclaiming my time, one of the problems that we have is we keep going back decades and decades and decades and reopening old wounds again and again and again, and it makes no sense. What we need to do is look at the world the way it is today and try to make it a better place. One of the things that I submit to my colleagues today is we should not be kicking Turkey in the teeth, and that is what you are doing.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. BURTON] has expired.

(By unanimous consent, Mr. BURTON of Indiana was allowed to proceed for 1 additional minute.)

□ 1630

Mr. BURTON of Indiana. Kicking Turkey in the teeth, our friend right now, is not a constructive thing to do. If my colleagues want to write a letter to the Turkish leadership, and I would be happy to participate, expressing our concern about some things that we agree to, that is one thing. But for this Congress to take this kind of a hard line position to kick a good, steadfast ally that has been there forever in the teeth makes absolutely no sense.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Texas.

Mr. WILSON. The gentleman is aware that the government of the United States of America recognizes Nagorno-Karabagh as a part of Azerbaijan, as well as the United Nations. Is the gentleman aware of that?

Mr. BURTON of Indiana. Yes.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, the truth of the matter is that anyone who has looked at that situation, and the United States will change its view as soon as the negotiation with the gentleman from Indiana concludes. Nagorno-Karabagh by any standard is not a part of Azerbaijan. I cannot believe that the gentleman from Texas would suggest such a thing. Nagorno-Karabagh, if anything, is an independent region, and if anybody looks at the historical roots of Nagorno-Karabagh they will recognize that it is occupied by Armenians. Armenians live in Nagorno-Karabagh and it ought to be a part of Armenia.

Mr. WILSON. Has the gentleman consulted the State Department of the United States on this?

Mr. KENNEDY of Massachusetts. All too often.

Mrs. MALONEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is a very important amendment. With the passage of this amendment, the House of Representatives will stand up for a fundamental tenet of our foreign policy, that countries who block United States humanitarian aid cannot expect to receive our assistance themselves.

With this amendment, the House will send an unmistakable signal to Turkey that we will not tolerate its appalling human rights record and recent hostile behavior in the region. And, yes, with this amendment we are respectfully telling President Clinton, with whom I usually agree on foreign policy, that his waiver of the Humanitarian Aid Corridor Act was ill-advised.

Mr. Chairman, I am a proud Representative of a large Armenian-American, Cypriot-American and Greek-American community in New York City. At meeting after meeting in my district, I have heard stories firsthand about the tragic personal losses of life, of torture, murder and missing relatives that have been inflicted by Turkish authorities.

I have spoken with constituents who as young children survived the Armenian genocide, only to face the indignity of consistent Turkish denial of this catastrophe. My Armenian-American constituents can only watch in horror as Turkey continues its unlawful, cruel and immoral embargo of their homeland, causing the human suffering in Armenia to worsen day by day.

Mr. Chairman, as the cochair of the Congressional Caucus on Hellenic Issues, I have stood on this floor many times in recent months to highlight Turkey's flagrant disregard for human rights and international law. With this record, Turkey is not a suitable recipient of United States economic aid. We cannot give aid to one country and then allow them to cut off humanitarian aid to another.

With this amendment and its likely cutoff of economic aid to Turkey, our message will be strong and forceful. The illegal occupation of northern Cyprus must end. Turkish illegal actions and lack of support for the proposed demilitarization of this beautiful island of Cyprus must end. The foot dragging over the final fate of the missing Greek Cypriots and Americans must end.

For my colleagues who are not aware of the depth of suffering brought on by the 1974 invasion, I invite them to Astoria, Queens, in my district, where they will meet dozens of people who have not heard a word about their loved ones in over 22 years.

With this amendment, we are also telling Turkey that its brutal war on the Kurdish minority is an outrageous affront to human decency. With this amendment, we register our profound dismay at Turkey's recent aggressive actions in the Aegean which challenge the internationally recognized sovereignty of our friend and ally, Greece.

Mr. Chairman, it is not easy for me to support an amendment which overturns a foreign policy decision of President Clinton, but in this case we simply have no choice. Turkey's record on human rights and international law deserves our strongest condemnation.

The last thing Turkey deserves is over $20 million in United States taxpayer dollars. As a matter of fundamental respect to the most profound and sincere policy objectives of this Nation, I urge my colleagues to support this amendment.

Mr. LAUGHLIN. Mr. Chairman, I move to strike the requisite number of words.

The gentleman from Indiana is not a minority of one or two with the gentleman from Texas but we are in a distinct minority and I just would start by pointing out the colleague letter that the gentlewoman from New York signed along with another colleague who talks about and I think in her comments she said she represented a large Armenian-American community. That is the thrust of this amendment.

Because when you look around, ask yourselves how many Turkish Americans you have known. When was the last time the Turkish American Association called on you in your office?

That is not true of this amendment, and we are here for ethnic reasons and ethnic reasons alone. Large groups of Armenian-Americans live in this country, large groups of Greek-Americans live in this country, and I respect them and I count friends from that group. But what about the Turkish Americans? They do not have a large organization. I doubt one ever served in this body.

But let us consider the Turkish citizen today that has a son or daughter in the military and look around their neighborhood. When I listened to the gentlewoman from New York talk about all the murders and the crime and the torture, I thought she was reading from the New York Times because I have been there, I have read that paper and I have seen the same thing in our big cities. But it is true that Turkey as Iraq, Iran, and Syria, are not first-class human rights countries, not first-class democracies. In fact, other than Greece and Israel, there is no other democracy in the area.

And when you talk about human rights, what about Soviet Jewry? AIPAC and people in the Jewish community that followed Soviet Jewry closely will tell you Turkey was a pipeline much like the underground railroad a century ago in this country was. And the Turks have a strong record in that area. But when you look at where Turkey has been, and I agree with the gentleman from Indiana, we are kicking a friend in the teeth. We are saying to a country that asked their sons to go to Korea, who asked their citizens to have economic deprivation when they shut off the pipeline the first day Saddam Hussein invaded Kuwait, and we have said, ''That is too bad. You are blockading the country.''

Let us look at the geography for just a minute. As I have listened to the speakers from the Armenian-American community, they want you to believe, as I hear them, that Turkey surrounds Armenia. All you have got to do is look at a map and you find that the republic of Georgia has a long common border with Armenia. Why are we not blockading or cutting off aid to Georgia in the Freedom to Support Act? What about the Federation called Russia who even has troops, soldiers, military stationed in Armenia today? Why are we not blockading and cutting off Russia? The answer is simple. We have a commitment to a friend and if we do not stand up for this country that has stood with us every time since the end of World War II, not one time have they failed to stand up in the fight to preserve freedom and democracy around the world, and we are going to stick a knife in their back simply because there is not an equal number of Turkish Americans in this country.

I realize we would lose this vote if we have one but I would ask the Members of this body, why not put our country first? I find it a little strange to be standing here before this body to tell Members this, but the Secretary of Defense is opposed to this amendment, the Chairman of the Joint Chiefs of Staff of our military is opposed to this amendment.

So I ask why not? Why not stand up for a friend who has a democracy? And we talk about the abuse of Armenians. Just last year my own daughter went to an Armenian church wedding in Istanbul, the largest city in Turkey. Was she suppressed? Was she terrorized? The answer is no.

So, I say to all my colleagues, let us stand up for a friend, let us recognize that they do not have the only border as others would suggest. They do not have the only border and there are air flights and there is the Black Sea that connects with both Russia and Georgia that gives access.

The CHAIRMAN. The time of the gentleman from Texas [Mr. LAUGHLIN] has expired.

(On request of Mr. KENNEDY of Massachusetts, and by unanimous consent, Mr. LAUGHLIN was allowed to proceed for 1 additional minute.)

Mr. LAUGHLIN. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. I would just like to point out to the gentleman from Texas that the truth of the matter is that the only country that is actively going out and preventing aid from going into Armenia, it is not Russia, it is not Georgia. The country that is standing in the way is Turkey. And the only other country that is standing in the way is Azerbaijan, for crying out loud.

So, all we are asking them to do is, this great friend of the United States, this great supporter of human rights that the gentleman has so glowingly called them, why do they not just simply turn the rights on in Armenia? That is the question. The Turkish Government, as it sits today, represents a great deal of Azerbaijanis in that country and they are the ones that are systematically denying the Armenian people the right to have basic human aid that is so vitally needed by the people of that country.

Mr. LAUGHLIN. As the gentleman well knows, I have been to all the countries in the caucus more than once.

Mr. KENNEDY of Massachusetts. I do know that. I have seen the gentleman.

Mr. LAUGHLIN. We have met in Moscow switching planes as we both came from that region. But the truth of the matter is I am absolutely convinced in my heart from being in Armenia and visiting with Armenians, being in Armenia visiting with President Ter-Petrossian, there would be peace in that region today if not for the Americans, anyway we want to put a hyphen in front of their names, me included, there would be peace in that region if we were not involved.

Mrs. MALONEY. Mr. Chairman, will the gentleman yield?

Mr. LAUGHLIN. I yield to the gentlewoman from New York.

Mrs. MALONEY. First of all, there is no torture in New York and the crime rate has gone down dramatically with the anticrime bill that President Clinton initiated and that we passed.

Second, I would just merely like to ask the gentleman how he justifies cutting off humanitarian aid.

The CHAIRMAN. The time of the gentleman from Texas [Mr. LAUGHLIN] has again expired.

Mrs. MALONEY. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

Mr. HOKE. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. BUNN of Oregon. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we are told this is about a blockade. This is not about a blockade. We are hearing about Cyprus, Kurds, Greece, Armenians. We are not hearing much about the PKK and what Turkey has to do to fight the terrorism. We are not hearing much about Greece's unilateral expansion of their territory which has created the situation. It is not a one-sided situation. We are hearing criticism of what the Ottoman empire is accused of doing in 1918. But we are not hearing a whole lot about a blockade.

I think it is unfortunate that this really has boiled down to another session of Turkey bashing. We need to pay attention to the fact that they were a crucial ally during the cold war but not only during the cold war. When that was over they were a key ally during the gulf war, and they are still a key ally in dealing with Bosnia. But the gulf war is a good example. We have heard earlier that we should not be providing assistance to somebody who is doing these nasty things that they are doing. We need to remember, Turkey is losing more through assisting us in the way we deal with Iraq than we ever give them. They have lost literally billions of dollars by closing off the pipeline because they have been willing to support the U.S. policies.

They have been a good friend, they have paid a high cost, they have been a friend to Israel, they are a key democratic Islamic nation that is in a very precarious situation. I think that what is at stake here is our relationship

with Turkey. The Armenians will not win if this passes. We will not change the situation. What we will do is damage the relationship that the United States has with a key ally. I would urge a ''no'' vote on the amendment.

Mr. PALLONE. Mr. Chairman, will the gentleman yield?

Mr. BUNN of Oregon. I yield to the gentleman from New Jersey.

□ 1645

Mr. PALLONE. Mr. Chairman, I just wanted to point out, I know there is a lot of conversation going back and forth with Turkey and its rule over the years with the United States and our military. But I think the bottom line is here talking about humanitarian aid. That is all we are saying.

I rarely criticize the President, but I have to in this case. When President Clinton certified and said that he was going to waive the Humanitarian Aid Corridor Act, which is essentially what this amendment was all about, he was essentially admitting that there is a blockade, that the blockade is taking place and that, for whatever national security interests, which I guess is what you were citing, we should allow that blockade to continue and not have the humanitarian aid come to Armenia. I think that is wrong. Regardless of the fact of whatever the national security interests are, however you view United States-Turkey relations, the bottom line is that there is absolutely no reason why Turkey should be allowed to continue this blockade of Armenia for humanitarian assistance.

We are only talking about humanitarian assistance, whether they are going to get energy assistance, whether they are going to get food supplies. I think this principle applies in general. We are talking here about Armenia but it applies in general. Why should any country, a friend of the United States or whatever, continue to get assistance from our country if they do not allow humanitarian aid to go to another country? I think that is what this is all about.

Mr. BUNN of Oregon. Mr. Chairman, reclaiming my time, I do appreciate the fact that the gentleman brought the debate back to the blockade. I was trying to point out when someone said earlier there is not Turkey bashing, there are other neighbors that could provide the corridor, Turkey is not the only one. It is not a one-way relationship in dealing. Turkey does provide a great cost to themselves to support us.

I also wanted to bring out that, when we hear discussions about 1918, that has nothing to do with today's discussion of the corridor. That is talking about something that happened dealing with the Ottoman empire. When we hear talk about the Aegean and what Turkey has done, we could get into a debate all day about those issues.

Mr. PALLONE. Mr. Chairman, will the gentleman yield?

Mr. BUNN of Oregon. I yield to the gentleman from New Jersey.

Mr. PALLONE. The way the amendment of the gentleman from Indiana [Mr. VISCLOSKY] is phrased, we are not just talking about Turkey. We are talking about the general issue of whether or not a country should continue to receive United States aid if it forbids or blockades humanitarian assistance from going to another country that is a friend of ours.

So I agree, if there was any other country that was doing this, then they should be stopped as well. So focusing on Turkey versus Armenia makes sense in the context of today, but this is a basic principle that I think should apply to all U.S. foreign policy. It does not matter whether it is Armenia or not.

Mr. BUNN of Oregon. The other portion of the policy is that apparently the gentleman is deciding that the President cannot make the correct foreign policy decision in this area.

Ms. PELOSI. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I rise in strong support for the Visclosky amendment and thank the gentleman for his leadership in bringing it to the floor today. But frankly, I am very disappointed that this amendment is even necessary. As we know, Mr. Chairman, last year Congress passed a Humanitarian Aid Corridor Act in order to discourage nations which receive U.S. aid from blockading other nations which also receive United States aid such as, in this case, Armenia.

Unfortunately, the Clinton administration chose to waive the act as it applied to Turkey, a nation which continues to illegally blockade Armenia. That is what brings us here today. Many of our colleagues have talked about the relationship that the United States has with Turkey, going back to the end of World War II in terms of strategic importance, vis-a-vis the Soviet Union at that time and the oil embargo during the Persian Gulf war.

And, now they are talking about the rise of Islamic fundamentalism. Being an ally of the United States or being next to the Soviet Union or having Islamic fundamentalists in one's country is not a license to block humanitarian assistance. The fact is that you can list all kinds of pros and cons in our relationship, but it does not take away from the fact that there is an immoral action going on in the blockade of Armenia.

Congress spoke very clearly last year to this point. It is unfortunate that the Clinton administration did not understand Congress' intent. Turkey is continuing to illegally blockade Armenia by preventing trade, transport and transshipment of United States and international humanitarian assistance to Armenia. This blockade is not sanctioned by the United Nations or any other international organization.

Mr. Chairman, Turkey began its blockade of Armenia in April 1993, when it refused to allow land or air passage of international Red Cross relief workers bound for Armenia with medical supplies to be used for disaster relief assistance. Since that time, Turkey has refused to allow the passage of any international Red Cross relief workers into Turkey. Turkey has not been promoting peace in the region. It has recently declared that its border with Armenia is a militarized zone.

That brings us back to why we need the Visclosky amendment. It would strengthen the Humanitarian Corridor Act and increase pressure on Turkey to lift the 3-year blockade of United States relief supplies to Armenia. The Humanitarian Aid Corridor Act, which was signed into law earlier this year, prohibits U.S. foreign assistance to states which obstruct our efforts for humanitarian relief to needy populations.

The pressing need for the Visclosky amendment was made clear when, as I say again, the President, disregarding the will of Congress, and I might state the bipartisan expression of support in this body, Democrats and Republicans alike, coming together to support the Humanitarian Aid Corridor Act. The President chose to disregard the intent of Congress and cleared the way for continued military and economic aid to Turkey.

Neither the American people nor the United States Congress should tolerate, much less subsidize, the Turkish Government's illegal and immoral blockade of Armenia.

Mr. Chairman, with that, I would like to commend once again the gentleman from Indiana [Mr. VISCLOSKY] for his leadership on this subject, proclaim once again the bipartisan nature of the support for his amendment. I again reiterate that the bill, the Humanitarian Aid Corridor Act, was passed in a bipartisan fashion and signed into law. The intent of Congress should be respected. Since it has not been, it is important for Members to support the Visclosky amendment.

Mr. FUNDERBURK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment. The amendment will ensure that Turkey complies with the Humanitarian Aid Corridor Act before it receives any more economic support funds.

Whether we are talking about Cyprus, the Kurds, persecution of Christians or Armenia, the evidence is overwhelming against Turkey. Questions of democracy, human rights, fairness, family reunification and decency principles we stand for, we have to shoot straight with our Turkish allies.

For over 20 years, Turkish troops have illegally occupied the northern one-third of Cyprus. Today over 35,000 armed troops occupy northern Cyprus. Recent reports indicate Turkey has increased its occupation forces. Turkey continues its military and colonial policy towards Cyprus.

With regard to the Kurds, Turkey's militaristic policy toward the Kurdish

minority living in the southeastern Turkish desert region goes beyond the pale of civilized behavior; 20,000 lives have been lost, 3,000,000 civilians displaced. It is time for the United States to take a principled stand and express its opposition to Turkey's ongoing plan and campaign to destroy the Kurdish culture.

With regard to the persecution of Christians, Turkey continues to place prohibitive restrictions on Christian churches. There have been numerous terrorist attempts to desecrate the ecumenical patriarch's premises in Istanbul. The Turkish Government has launched a concerted effort to convert the Church of Saint Sophia, one of the most sacred monuments of Orthodox Christianity and, I should add, one of the greatest architectural wonders of the world, their plan to convert this into an Islamic mosque.

With regard to Armenia, Turkey is continuing its illegal blockade of Armenia by preventing trade, transport and the transshipment of United States and international humanitarian assistance to Armenia. We must make a strong stand. We must send a strong message to the world, and the President should send a strong message to the world that Turkey's aggressive behavior is not acceptable.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Visclosky amendment and want to reiterate the point made by the gentleman from New Jersey, [Mr. PALLONE]. This amendment does not reference Turkey. Let me at the outset state that I believe that Turkey is a friend. Turkey is an important ally. Turkey has strategically been of great assistance to the United States of America.

As I pointed out, when I spoke on the additional funds for the war crimes tribunal in The Hague, we need to hold accountable in the international community those who did not meet international norms, friend or not a friend.

I am one who has been substantially critical of Turkey, notwithstanding my premise that they are a friend and important ally. Whether it relates to the Kurds, whether it relates to their treatment of prisoners or the press, whether it deals with any other matter, all of us need to hold one another accountable for transgressions and for a failure to meet international norms.

Now, in the Humanitarian Corridor Act we said one of the norms was allowing assistance to go to those in trouble. Not combatants, not adversaries, but people in trouble. People in trouble because of conflict, perhaps beyond their control, children in trouble. We have provided, and other Western nations have provided, humanitarian assistance. Not to aid combatants, not to aid one side or the other, not to make an ideological point, but to say that, when there are people in trouble, it is the objective of the international civilized community to give aid and comfort and help.

We ought to ask all of our allies and our friends to assist to the greatest extent possible in the delivering of that humanitarian assistance. That is all this amendment says.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. The gentleman from Maryland is right, this is purely a humanitarian issue. The Armenians have suffered in the early part of this century, in the early part of this century at the hands of the Turks. The Armenians have suffered through a Soviet regime for decades. This is simply the transition that the Armenians are trying to make from being part of the Soviet union as a State in the Soviet Union to a free market, independent, free society. The American tradition is to extend a helping hand to countries like that.

That is all that the Visclosky-Bilirakis amendment is about, to extend that helping hand, to help Armenia in a humanitarian way. That is all we are asking for.

Mr. HOYER. Mr. Chairman, I thank the gentleman for his contribution and his support of this amendment.

In closing, I would hope and I believe that this amendment will receive broad bipartisan support. I do not know whether there will be a rollcall vote, but if there is, I hope that there is an overwhelming show of support, not against Turkey, not against any other country, but for the critically important principle that we will expect our allies and our friends, as well as those who may not count themselves in that category, to facilitate the relieving of human misery and suffering.

I trust that this amendment will receive the strongest support possible.

Mr. REED. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of Mr. VISCLOSKY's amendment. As a cosponsor of the Humanitarian Aid Corridor Act, I was very pleased with the passage of this legislation last year. However, I was extremely troubled with the President's waiver of the Humanitarian Aid Corridor Act on May 16. I joined many of my colleagues in expressing our disappointment with his decision to waive the statutory restrictions on assistance to the Republic of Turkey, and I am urging my colleagues to support this amendment to strengthen the Humanitarian Aid Corridor Act.

The Humanitarian Aid Corridor Act prohibits U.S. assistance to any country that prohibits or restricts the transport or delivery of U.S. humanitarian aid to other countries. We should not allow humanitarian assistance to be used as a political weapon while innocent victims are deprived of food, fuel, and medical supplies, whether it be in the wake of a natural disaster or armed aggression.

Unfortunately, countries are still hampering the delivery of U.S. humanitarian assistance to those in need. Turkey continues its illegal blockade of American humanitarian relief to needy population in Armenia and it continues to deny the existence of the Armenian Genocide of 1915.

This amendment would limit the scope of the executive waiver under the Humanitarian Aid Corridor Act. This amendment would limit the President's waiver authority to only U.S. military aid—economic assistance would be withheld from any country that impedes the delivery of U.S. humanitarian assistance to other countries.

This amendment continues to protect U.S. national security interests, but it will send a strong message to nations that blocking humanitarian assistance to those in need is unacceptable. I commend the members of the committee who have worked on behalf of this legislation, and I urge all my colleagues to support this important amendment.

□ 1700

Mr. WHITFIELD. Mr. Chairman, I move to strike the requisite number of words to speak against the amendment.

Mr. Chairman, I am glad to hear all Members speaking on both sides of this issue are recognizing the fact that Turkey is a valuable ally of the United States. I think that everyone recognizes that.

I would like to say on the issue of blockades, that container transit shipments to Armenia through Izmir and the Turkish straits to Batum, Georgia, only a few kilometers away from the Turkish border, are taking place now. Transit passage between the two countries continues. Armenian Airlines conduct weekly flights from Yerevan to Istanbul. Armenians can travel to Turkey, frequently conducting suitcase trade.

I would also like to say that Turkey has made efforts to normalize relations with Armenia. Obviously, this is a long-standing dispute, and as a good will gesture in April of 1995, Turkey opened air corridor H–50, connecting Erzurum to Yerevan. And soon after taking office, Prime Minister Yilmaz announced Turkey will open its border with Armenia, providing there is a bilaterial agreement on the declaration of principles.

So I think Turkey is making great strides in the area of humanitarian aid and treating people in its country with respect.

As we know, Turkey is located in a very unsettled part of the world, surrounded by Syria, Iraq, and Iran. It is a strong secular democracy. And although I imagine this amendment will pass, I think it is important that we recognize the contribution that Turkey makes in our foreign policy as a valuable ally, and I, for one, intend to vote against this amendment.

Mr. MENENDEZ. Mr. Chairman, I move to strike the requisite number of words.

I rise in strong support of the Visclosky amendment. Few of us would

disagree with the fact that Turkey is an important ally of the United States. Many of us have said it on both sides of the question. But as a member of the Committee on International Relations, I ask let us look at that in context. Should that fact entitle Turkey to deny the transits of United States aid to the Armenian people? Does it permit Turkey to deny basic human rights to Christians and Kurds within Turkey? And should our relationship allow Turkey to threaten the stability of the region and to delay the long overdue unification of Cyprus, which it invaded and now occupies?

I was there this past summer, Mr. Chairman, in Cyprus, and I say this by way of context, that when we say that Turkey is an ally, we have to look at how our allies act in the rest of the world and what are our interests in its totality. And in that respect, here is a country that was invaded and occupied, that is divided. When I crossed the green line which divides the northern part, controlled by the Turkish Government, with the southern part of the rest of the island, it was a very difficult process. And, in fact, we found that Turkish Cypriots, original Turkish Cypriots, do get along with Greek Cypriots, but the Turkish officials who are there and the troops that are there interfere with that reunification.

So when we look at all these things, and when we say that Turkey is an ally, we have to look at it in context.

Now, opponents of this amendment will emphasize what a great friend Turkey has been to the United States and suggest that any action that we might take might jeopardize that relationship, but I think we have to keep in mind as well, in addition to the total context that United States-Turkish relationship is a mutually beneficial one, and that means that it is strategically important for both countries. And a relationship which rises to the term of ally has to be open to honest and open debate as to what we, in fact, are willing to support when we support an ally.

Now, foreign assistance is one of the few tools of peaceful diplomacy that we have. It is not unreasonable for us to demand that Turkey allow the transit of United States aids to Armenia if it wants to continue to receive United States economic support funds. That is the purpose in part of aid; it is, in fact, to produce an inducement as part of your overall foreign policy.

Now, we should note that the longer Turkey blockades the passage of aid to Armenia, the longer the people of Armenia will need to depend on United States assistance. And in this era of budget cutting and increasing pressure to limit the foreign assistance budget, we cannot afford not to enact this amendment.

The Visclosky amendment carefully curbs aid to Turkey by removing economic support funds from the President's waiver authority for the Humanitarian Corridor Act, but military support funds remain intact. And when we look at the question of where Turkey is moving, we have to look at recently the question of Aliza Marcus, a New Jersey resident who works for Reuters, who was almost jailed simple because she wrote an article they did not care for.

Are we willing to support an ally under any conditions? We did that in the past in our history and we paid dearly for it.

Day after day and year after year Turkey has continued to actively block the transit of assistance to the people of Armenia at a time when they are struggling to rebuild their economy and establish a democracy. And by forcing Turkey to make a decision about how important that $25 million in economic support funds is to the people of its country, we can send the message that the United States will not stand by and allow Turkey to bully its neighbors, Armenian, Greek, Cypriot, Kurdish or Christian, and continue to receive the blessings of the United States assistance.

I urge all of my colleagues, because it is the right policy for the United States, to support the Visclosky amendment.

Mr. HOKE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of this amendment, the Visclosky-Bilirakis amendment. I want to review how we got to the point that we are at today with respect to this because I think it is instructive and important.

We passed a provision in the 1996 foreign ops appropriations bill that has become known as the Humanitarian Aid Corridor Act. That was put into the bill by the gentleman from Illinois [Mr. PORTER]. The purpose of the Humanitarian Aid Corridor Act was to prohibit U.S. assistance of any kind from going to a country that impedes the delivery of humanitarian aid to a third country.

It also allowed for a waiver that could be implemented by the President, allowing him to waive those restrictions for any specific country that he deems necessary in order to uphold U.S. national security interests and then reinstate military and economic aid to that country.

Now, in fact, we found out 5 days, 5 days fully after, that the President has apparently invoked this. And did we find out from the administration? Did we find out from the President that he invoked the waiver directly? Did the President come to the Congress and let us know? No, he did not. We found out through the foreign ministry of the nation of Turkey that our own President, or own administration had waived this specific provision in the 1996 foreign ops appropriation bill.

I mean we have to ask ourselves why on earth, why on earth was the President not coming to us and telling us, the U.S. Congress, that he was going to make this waiver? Why are we finding this out from Turkey as opposed to the United States?

So we find out, and we find this out on May 21. May 21, what, 11, 12 days ago? This is when we found out. That is when we found out this national security waiver had been invoked. That brings us to today.

What does this provision, the Visclosky-Bilirakis amendment actually do? It says that we will continue to have the Humanitarian Aid Corridor Act in place, but that with respect only to economic support funds, the waiver provision will no longer exist. In other words, the President of the United States will no longer be able to waive the Humanitarian Aid Corridor Act. He will not be able to waive that provision specifically with respect to the economic support fund.

How much money are we talking about for the nation of Turkey, potential? Not more than $25 million. Turkey is going to continue to get $146 million in military aid. I do not know how Members feel about that. I am not crazy about it. But Turkey will continue to get that. Turkey will continue to get humanitarian aid if it needs it.

This does not affect humanitarian aid. It does not affect military aid. It merely affects the economic support fund, which is used for what? Things like economic development, the retirement of debt. Sometimes we do not know exactly what it is for. The State Department does not always tell us, but it is up to $25 million.

It is a very incremental, moderate, frankly, step to be taken at this time. It is anything but radical or extreme. It is, as opposed to a smack in the face, it is more like a little tap on the wrist, and it is absolutely necessary that we do it. This ought to have the broadest bipartisan support from every Member of this Congress, because we should not, we should not be giving economic support funds to Turkey or any other nation under the pretext of a national security interest.

Mr. Chairman, I urge every Member of this Congress to vote in favor of this.

Ms. WOOLSEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of this amendment. Even though Turkey is one of our biggest beneficiaries of American good will, that nation continues to block distribution of American aid to the Republic of Armenia. In other words, Turkey is acting like a big bully against its small neighbors and American aid is being held hostage. Not only is this clearly unfair, but it is illegal, according to the U.S. law.

The time has come that we stop making execuses for Turkey. The time has come to quit playing politics with humanitarian aid, aid destined for Armenia. I know that Turkey is a member of NATO, and I acknowledge Turkey's strategic importance, but fair is fair. Human rights must be protected, and no one, not even our military allies, have the right to flaunt the Humanitarian Aid Corridor Act, period.

Mr. Chairman, I urge my colleagues to vote yes on the Visclosky amendment. This is a vote for the people of Armenia and this is a vote for strengthening and upholding the Humanitarian Aid Corridor Act.

Mr. ANDREWS. Mr. Chairman, will the gentlewoman yield?

Ms. WOOLSEY. I yield to the gentleman from New Jersey.

Mr. ANDREWS. Mr. Chairman, I thank my friend for yielding, and I also rise in very strong support of the amendment of the gentleman from Indiana [Mr. VISCLOSKY]. I do so for reasons of strategic balance, constitutional propriety and moral imperative.

On issues of strategic balance, I do not think anyone on our side of the question would disagree that the importance of Turkey's military role to the defense of this country is very important and very desirable. But one of the many benefits of the Visclosky amendment is it does not in any way impair that relationship. In fact, it simply only speaks to the economic assistance and conditions that assistance, not the military assistance, upon the behavior of Turkey.

With respect to the issue of constitutional propriety, with all due respect to the administration, many of us believe that its decision to waive the provision of the Humanitarian Corridor Act was incorrect and wrong. This, we believe, restores a sense of constitutional balance, where we say with respect to economic assistance funds there will be none, period, unless there is compliance with the act. And with respect to other provisions, we respect the prerogative of the Commander-in-Chief and the executive branch.

Finally, there is a matter of the moral imperative here. A country that continues to illegally and harshly occupy the island of Cyprus, that continues to persecute people within its own borders for the practice of their religion, a country that has the dubious distinction of leading the world in 1995 in the number of journalists imprisoned for simply speaking their minds, such a country has no place receiving the hard-earned tax dollars of the people of our country.

□ 1715

Cyprus is the most egregious example. What has happened to the people of Armenia fits a similar standard. And for us to adopt Mr. VISCLOSKY's amendment, I think, would make us unwitting and undesirable components or accessories to such a policy. I believe we should not do that. I commend Mr. VISCLOSKY and his colleagues for introducing this. I thank my friend from California for yielding to me.

Mr. CALLAHAN. Mr. Chairman, I move to strike the requisite number of words. I realize how passionate and sincere many Members of Congress are with respect to Turkey and to some of the events that have taken place there, not by all people of Turkey but by a small group of people in Turkey. It has been my position that the Constitution gives the affairs of foreign policy to the administrative branch of government and sometimes we constrict the administration too harshly.

Last year during this debate I had a conversation with many members of the Greek community who were concerned about some of the same problems that you all are concerned about. I agreed then that we were not going to earmark any money for Turkey, that we were not going to afford Turkey the same monetary help that we were giving them with respect to the F–16's they were trying to purchase. And in my bill there is not one penny earmarked to Turkey. We have a pot of money that we give to the administrative branch of government. It is called the Economic Support Fund.

The administration can choose to take part of that money and give it to Egypt. They can take part of that money and give it to Israel. We do not tell them how to spend every nickel. We do not tell them to spend money in Turkey. Neither do we deny them the opportunity to spend money in Turkey.

To further facilitate those who have concerns about the problems in Turkey, the committee, through amendment, elected to restrict the ability of the administration that if they decide to give money to Turkey, under no circumstances could they go above $25 million. So there is no economic support money earmarked. The administration has a limited amount of availability of money for Turkey, and there is no new money in here for Turkey for new military equipment.

There is money in there for sustainment needs to allow them to buy parts, and Turkey is an ally of the United States. No one here disputes that.

So I am trying to tell the House that we are trying not to write foreign policy for the administration. We elected President Bill Clinton to lead this Nation. He appointed the Secretary of State. While I disagree with them more often that not, nevertheless we must recognize that the Constitution gives this charge to the administrative branch of government.

I hope that we will not have to even vote on it, but if we were to vote on it, I would vote ''no.'' I would like to encourage a ''no'' vote but to emphasize that in this bill, we are not creating foreign policy. We are making an appropriation. At the behest of some, we have limited the amount of the administration's ability to give Turkey money. I think that we have come a long way, and I would urge a rejection of this amendment.

Mr. PORTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, a year ago the Congress, both the House and the Senate, with the agreement of the President adopted a principle, and that principle was that no country receiving foreign assistance from the United States, should continue to receive that assistance if they were to block transit of humanitarian assistance to another country which the United States wished to help.

We are talking, Mr. Chairman, about humanitarian assistance. We are talking about food and clothing and medical supplies and energy, the kinds of things that keep people alive, something that we could send to those in great need.

Mr. Chairman, that principle was not stated in terms of Turkey and Armenia. It was applicable to any country that might be receiving humanitarian assistance from the United States and any country that might prevent its transit. But let us be truthful, there was only one country cutting off humanitarian assistance a year ago, and there is only one country cutting off United States humanitarian assistance today, and that is Turkey cutting off assistance to Armenia.

Is Armenia presently receiving United States humanitarian assistance? Yes. How is it getting there? It is that other countries are not preventing transit. It is going mostly through Georgia. And what does that mean?

It means that it costs the United States millions of additional dollars to get the aid to where we want it to go to, Armenia, because Turkey refuses to allow it to cross their borders. Why should the U.S. taxpayers pay that additional cost and still provide economic assistance to the country that is preventing the aid from proceeding in the normal way?

As we do with all these provisions, we said that the President could waive this part of the law for national security reasons, and isn't it interesting that the President of the United States waived the provision of the law on May 16, thwarted the entire purposes for which Congress adopted it, and never had the courtesy or the courage to tell Congress or the American people that he had done it? We had to find it out through the Turkish Foreign Minister 5 days after the fact.

Now all we are saying in this amendment is, yes, the President of the United States still can waive the provisions of the law in regard to national security, but the waiver will only relate to national security assistance, military assistance to the country involved, and that if he issues such a waiver the economic assistance, nevertheless, will not be allowed to go through.

Are we concerned about Turkey and its instability, as the gentleman from Texas suggested earlier? Of course, we are. Is Turkey a valuable ally to the United States? Of course, it is. Has it stood with us? Yes. But it is in the hands of Turkey not to have assistance cut off simply by allowing humanitarian assistance to pass across its borders. Is that too much to ask of any country in the world? I think not.

I think this amendment is very, very properly crafted. It preserves national security assistance and does not touch

it. It simply says, if you are going to cost the American taxpayers extra money, millions of extra dollars to transship across areas to get the humanitarian assistance where we want it to go, you certainly should help to pay for it.

I think that is perfectly reasonable. I think the Members understand it. I commend the gentleman from Indiana for offering this amendment. I believe it is going to receive the overwhelming support of the House of Representatives.

Mr. ZIMMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment. It is appropriate, and it is necessary to implement the will of this House and this Congress enacted into law last year in the Humanitarian Aid Corridor Act. It is wrong for the President to have waived the provisions not only with respect to military aid but also with respect to economic aid.

There can be no national security justification for restoring economic aid, at a time when Turkey continues to maintain a choke hold on the important corridors through its country to Armenia, which is suffering considerably as a result. This general statutory sanction applies to Turkey because Turkey, since 1993, has maintained this blockade and has prevented aid from reaching Armenia. It has callously ignored the tragic humanitarian toll that its blockade has caused, and it has defiantly resisted calls from the international community to stop this illegal blockade.

Turkey has a dismal humanitarian record. It continues its military campaign against its own people of Kurdish descent. More than 2,000 Kurdish villages have been destroyed and millions of people have been displaced. But despite the blockade, despite Turkey's record with respect to its own people, despite its provocations with respect to Greece and to continued occupations of Cypress, President Clinton chose to exercise the waiver clause across the board. That is the wrong thing to do, and that is why this amendment is so absolutely necessary.

We should not be rewarding a country with American dollars for callously disregarding human rights and human lives. We have heard a great deal today about how Turkey is our ally, how Turkey has stood with us through thick and thin. Let me just remind my colleagues what President Eisenhower said some 40 years ago when he established the Eisenhower doctrine. President Eisenhower said, ''There can be no peace without law, and there can be no law if we were to invoke one code of international conduct for those who oppose us and another for our friends.''

The Humanitarian Aid Corridor Act applies to every country in the world. Its impact is on Turkey because Turkey is acting in contravention of the rules of decency, humanity and international law. That is why Turkey, because of its own actions, should suffer these penalties. Through its own actions, it can relieve itself of these penalties. I urge the adoption of this amendment.

Mr. SKAGGS. Mr. Chairman, I move to strike the requisite number of words, and I yield to the gentleman from Indiana [Mr. VISCLOSKY].

Mr. VISCLOSKY. Mr. Chairman, I believe that this will be the close of the debate. We just wanted to respond to a couple of the points that were made today. There was a debate here earlier today on the House floor about how far back in time we should go to resolve the issue before us. I would suggest last year, 1995, represents the year in which we adopted the Humanitarian Aid Corridor Act which does have an impact on Turkey. There is an existing blockade. We have to go back but one year.

There was a suggestion that there is in fact no blockade, that there is suitcase trading going on here. I have people coming into my office today talking about triple trailers doing trade with the country of Mexico and Canada. Here we are talking about suitcase trade.

There is also an assertion that there is an airline corridor once a week. My recollection is there was an air corridor to the city of Berlin when the Russians blockaded the city. It would be my assertion that the blockade continues to exist.

The comment was made here too that this is simply ethnic politics. I would agree with that assertion. I am very concerned about the ethnic Armenians who have 1 hour of electricity every day because of the Turkish blockade. I am very concerned about the ethnics in north Cyprus because of the continuing Turkish occupation.

There was a suggestion here that the Chairman of the Joint Chiefs of Staff and the Secretary of Defense are opposed to this amendment. I will accept their objection. But my question is, why? We do not limit or prevent the waiver of this act by the President for military assistance. It only goes to the example of economic assistance, to the tune of $25 million. There be in excess of $140 million in military assistance.

So with that, Mr. Chairman, I would ask that my colleagues support the amendment, the bipartisan amendment that is before the House.

Ms. MCKINNEY. Mr. Chairman, I rise today in support of my colleague's amendment to prohibit funding for the Army's School of America's in my home State of Georgia. Although I am proud to represent the people of Georgia, I must speak about this institution's shameful legacy of which I am not proud.

Proponents of the school assert that it is simply a training facility for military leaders of Latin America. The truth of the matter is that many of the school's graduates are among the region's most ruthless human rights abusers. Allow me to provide some examples of the atrocities committed by graduates of the school.

In 1980, four women in El Salvador, Jean Donovan, Laura Clark, Edith Ford, and Dorothy Hazell were raped and murdered by graduates of the school. That same year, after calling on the army for peace in el Salvador, Archbishop Romero was executed by other graduates. In 1981, the entire village of El Mozote, 900 people including 131 children under the age of 12, were lined up and executed. Ten of the 12 officers responsible, were graduates of the Army's School of the Americas. In 1989, School of America graduates were found responsible for the murder of six Jesuit priests. The 1991 commencement speaker at the school was General Hector Gramaho. General Gramaho alone is responsible for the death of 200,000 men, women, and children in Guatemala.

In 1993, the United Nations issued a report regarding atrocities in Central America, and found that 49 of the 60 officers responsible were graduates of the U.S. Army's School of the America's. Additional graduates of the school include Manuel Noriega and Bolivian dictator Hugo Bonza.

Not only are these assassins training on our own soil, but they are being funded by U.S. tax dollars.

Mr. Chairman, clearly this taxpayer-funded institution has become nothing less than a prep school for the Hitlers and Stalins of Latin America. The American taxpayer should no longer have to pay for the training of rapists and child killers. I urge my colleagues on both sides of the aisle to vote for the Kennedy amendment and close this school of the assassins.

Mr. BISHOP. Mr. Chairman, the School of the Americas is a strong and effective advocate of human rights and representative government in Latin America.

This is the finding of an independent study retained by the Army last year. It is my own finding, as well.

Fort Benning is in my district. I have visited the school many times, studied the curriculum, talked often to the students and faculty, examined all the evidence.

Critics make a lot of charges but they offer not one shred of real evidence to substantiate their false and malicious accusations. And they ignore all evidence to the contrary, including the fact that an overwhelming majority of the graduates have worked for democracy when they returned home.

Anyone who studies the facts objectively will reach the same conclusion as I have and the study has—that the School of the Americas is effectively promoting human rights and should continue to fulfill its mission to help representative government take hold in Latin America. I oppose the Kennedy amendment.

I urge my colleagues in this House to reject this amendment.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise today in strong support of the Visclosky amendment eliminating the President's authority to waive the bill's prohibition on Economic Support Funding to countries that restrict the delivery of U.S. humanitarian assistance. Last year, at this time, I stood on this floor with my colleagues to cut $25 million in U.S. economic assistance to Turkey during consideration of the FY 1996 Foreign Operations Appropriations bill until the blockade of U.S. humanitarian assistance was lifted.

Since that time, the Turkish government has not adequately addressed its behavior against its neighbors, in particular, its internationally-condemned

blockade of U.S. humanitarian assistance to Armenia. On May 16, 1996, President Bill Clinton disregarded this Congress' intent by waiving the application of the Humanitarian Aid Corridor Act to Turkey. This act prohibits U.S. economic or military assistance to any country that blockades the transport of U.S. disaster and relief assistance.

I am here today in support of the Armenian people and in support of this amendment. By narrowing the Presidential waiver contained in the Humanitarian Aid Corridor Act, we will limit the President's ability to provide up to $25 million in FY 1997 economic assistance funds to Turkey. Since the president has failed to address this issue, it is now up to Congress to make a clear decisive statement. In addition, it is also important to continue a positive and active relationship with the government of Turkey to resolve this and other mutual matters.

Mr. Chairman, in addition to this amendment, I would also like to express my support for the Radanovich amendment which will be offered to this bill. This amendment would limit the amount of Economic Support Funding for Turkey to $22 million until Turkey acknowledges the Armenian genocide and takes steps to honor the memory of its victims.

Mr. MORAN. Mr. Chairman, I rise in strong opposition to the amendment of my friend and colleague from Indiana.

This amendment would cut another $47 million from the Agency for International Development's operating expenses. I would just like to make three quick points.

First, further cuts in operating expenses would destroy many benefits of the streamlining efforts that have been ongoing for much of the past two years. The fact is that USAID has already been achieving savings. Many posts have closed and 3,000 staff positions have been cut since 1993. Indeed, this year AID is in the process of closing another 24 more missions. This is a very fiscally responsible agency.

Second, these cuts would cause major disruptions in policy and program management. Morale would suffer, and many capable employees of the agency would seek jobs outside government rather than work in an atmosphere of reduced effectiveness, not to mention the increased number of RIFs, already at 200 for FY 96.

Third, cuts in operating expenses undermines AID's ability to effectively promote U.S. interests. We will be less effective in helping to promote democracy and market reforms in the third world. We will be less effective in facilitating economic growth in developing countries, encouraging new markets for U.S. companies, and addressing serious global problems such as rapid population growth, environmental degradation, and the spread of disease and crime.

Mr. Chairman, AID's goals are our foreign policy goals and cannot be achieved without adequate resources for their operating expenses. This amendment is short sighted. It ignores significant savings already achieved and most importantly it is utterly misguided nationally policy.

Mrs. KENNELLY. Mr. Chairman, I rise in strong support of the Visclosky Amendment which prohibits economic aid to countries which interfere in the transport or delivery of U.S. humanitarian aid. This important amendment will strengthen the Humanitarian Corridor Act included in this legislation.

I believe that our Nation's traditions and values demand that we support the delivery of humanitarian aid to suffering people. In addition, those nations that prohibit the delivery of such lifesaving aid should not be rewarded with U.S. foreign assistance.

I had hoped that inclusion of this provision in last year's appropriations bill would have sent a clear message to countries like Turkey that blocking humanitarian assistance to Armenia would not be tolerated. Unfortunately, that was not the case, and this amendment has become necessary.

This amendment will prohibit $25 million in economic assistance to Turkey. It sends a clear message that Turkey must end its blockade of Armenia. I urge my colleagues to support this important amendment.

Mr. LEVIN. Mr. Chairman, I rise in support of the amendment. The Humanitarian Aid Corridor Act was created to ensure that U.S. aid reaches refugees in the quickest way possible regardless of geopolitical concerns.

This amendment notifies countries such as Turkey, which refuses to allow humanitarian aid destined for Armenia to cross its borders, that they will lose United States economic assistance unless the aid blockade is lifted.

Breaking aid blockades is provided for by existing law, but unfortunately, a Presidential waiver is allowed under certain circumstances. This amendment will put teeth into the law by requiring a cutoff of economic support funds to offending countries regardless of a Presidential waiver. The amendment will not affect military aid nor other forms of noneconomic aid, such as humanitarian assistance, to offending countries. With this amendment, we will be able to protect national security interests while sending a clear message to countries to act in accord with internationally accepted human rights standards.

I urge passage of the amendment.

Mr. JOHNSTON of Florida. Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Indiana cutting USAID's operating expenses by $47 billion. Adoption of an additional cut to the operating expenses level, which already represents a 26-percent cut from last year's appropriations, would not only undermine the United States ability to carry out staff intensive development programs, such as child survival and microenterprise, but would also have a devastating effect on the delivery of U.S. assistance in programs integrating economic growth, fostering health and family planning, protecting the environment, and promoting democracy.

USAID has undertaken ambitious programs of streamlining and downsizing for the past 3 years and is in the process of closing additional overseas posts. By September 1996, USAID will have closed 23 overseas posts in Africa, Asia, the Near East, and Latin America, producing annual savings in excess of $40 million. In this era of reinventing government, the USAID has done its part. What we must secure in this age of global instability and change is the United States' role in promoting economic and political development in Africa, Asia, and Latin America.

With respect to Africa, the impact of $47 million would be devastating. USAID would be forced to close additional missions in the poorest continent in the world. Assistance programs would be abruptly terminated and prior U.S. investments jeopardized. For instance, the new regional initiative in the greater horn of Africa, which promotes food security and crisis prevention, would be undermined, as will trade and investment opportunities for United States companies in southern Africa.

USAID has been the leader in the global child survival efforts that are now saving an estimated 4 million children each year. The impact of further proposed cuts in USAID operating expenses will inevitably lead to:

An increase in child mortality; 45,000 families in South Africa who will not be assisted with better water and sanitation services; 100,000 people in India who will not receive safe drinking water and will be exposed to cholera, hepatitis, malaria, dengue, and bubonic plague from untreated sewage and waste;

Delay or termination of support for the consolidation of the transition from military rule in Guatemala;

Withdrawal of United States support for military demobilization in Mozambique;

Sharp reduction in support for poverty programs in South Asia; and

The curtailment of economic transition programs in southern Africa, Ethiopia, and Tanzania.

The impact of additional double-digit cuts is real and contrary to the interests of the United States in promoting strong and sustainable economic and political development in the world. This is our role.

I urge my colleagues to defeat the amendment offered by the gentleman from Indiana.

Ms. ESHOO. Mr. Chairman, I thank Representatives VISCLOSKY, BILIRAKIS, and DURBIN and my other colleagues helping to improve and strengthen the Humanitarian Aid Corridor Act.

On May 16, to the surprise and disappointment of the international human rights communities, as well as Members of this body, President Clinton exercised his option to waive the Humanitarian Aid Corridor Act. Passed with strong bipartisan support as part of last year's Foreign Operations appropriations bill, the Corridor Act is essential because it exerts the appropriate pressure on countries, such as Turkey, that block United States foreign assistance to the region.

As the only Member of Congress of Armenian descent, I have a deep understanding of how the Ottoman Empire decimated Armenians and thus wrote one of the darkest chapters in human history. Mr. Chairman, as we remember the tragic history of the Armenian people, it's essential for us to frame the role the United States can play in establishing peace in the caucuses. I'm committed to the safety and independence of Armenia. We must ensure that its people are protected. Therefore, I support efforts to strengthen the Humanitarian Aid Corridor Act and to curtail aid to Turkey should that country refuse to abide by the Act.

Strengthening the Corridor Act by narrowing the waiver authority recently involved by the President will send a clear, decisive statement: that nations which continue hostile and aggressive policies against other countries will not be tolerated or rewarded with economic aid. We must do all we can to help advance a proactive foreign policy which can help bring lasting peace to the region. I urge the House to support the Visclosky Amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. VISCLOSKY].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. VISCLOSKY. Mr. Chairman, I demand a recorded vote and, pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by gentleman from Indiana [Mr. VISCLOSKY] will be postponed.

The point of order of no quorum is considered withdrawn.

AMENDMENT OFFERED BY MR. SKAGGS

Mr. SKAGGS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SKAGGS: Page 52, strike lines 14 through 20.

□ 1730

Mr. SKAGGS. Mr. Chairman, my amendment removes the provision in the bill that caps spending for population planning activities at a maximum of 65 percent of the fiscal 1995 level.

Humane and respectful assistance to other nations seeking voluntarily to limit their population growth is in the profound national interest of the United States.

Ultimately, there's no greater threat to our national security than standing by while the world's population explodes. If we don't constrain population growth, our work to improve living standards, control pollution, and battle disease is hopeless. If we let up on the effort to limit population, all of the other good works that we are seeking to accomplish with our development assistance will be overwhelmed.

The cap proposed in the bill would severely disrupt international family planning efforts. If the cap stays put and the cuts take place, 7 million couples seeking access to birth control will not get it. That means that 4 million more women will experience unintended pregnancies. This will lead to 1.9 million unplanned births, 1.6 million more abortions, 8,000 more women dying in pregnancy and childbirth, including those from unsafe abortions, and 134,000 more infant deaths.

Is that what we want? Nearly 2 million more unplanned births, and over a million and a half more abortions? All things we know we can prevent?

International population assistance is not used to pay for abortions. The 1973 Helms amendment to the Foreign Assistance Act requires that no U.S. funds may be used to pay for abortions. There have been no reports of violations of this ban, and my amendment would not affect it.

To the contrary, international family planning efforts stop abortion. They protect the health of women and infant children. And they have had a dramatic influence on our ability to do something about uncontrolled population growth in many parts of the world.

American leadership has been crucial to making family planning assistance available to couples in the developing world. Partly because of our leadership, other countries have joined the effort. And a growing number of developing countries now provide family planning services of their own. In fact, these countries now provide more than two-thirds of the funds spent on international population efforts.

International family planning is not a unilateral handout. It has grown into a partnership, and one that's in our interest to preserve and expand.

Without our leadership, the progress we've made in building a global partnership to attack the population problem will be lost. Without U.S. leadership, the efforts of others could not soon—if ever—make up for reductions in resources and experience that the United States brings to the population effort.

If we retreat, accelerated population growth will pose a direct threat to our national interest. The world's natural resources are severely overtaxed. Sustaining the health and welfare of Americans and people everywhere depends on careful management of these resources. This is a most fundamental obligation of good stewardship. That obligation can't be met if population growth is unchecked.

My amendment won't mean additional spending for foreign operations, and it doesn't require offsets. There is no longer a separate account for population development assistance; family planning is funded out of various accounts, including the development assistance fund and the new child survival account. My amendment would simply eliminate the bill's 35 percent cut in population assistance and allow the Agency for International Development to determine how to manage its own accounts.

Mr. CALLAHAN. Mr. Chairman, I rise in opposition to the amendment.

Just briefly, I appreciate the gentleman's views. I think that the House is fully aware of the issue of this language in the bill. I think the House is fully aware of the compromise that this body must occasionally undertake where neither side gets everything it wants. There is no doubt that if this amendment were to pass, it would cause great controversy, probably requiring us to pass stronger language, probably including the Mexico City language, and I think that the debate on this issue truly should take place in the Committee on International Relations as authorizing legislation. It was made in order by the rule.

But under the circumstances, Mr. Chairman, in a body such as this we must let reasonable heads get together and move on with our function, and that is to fund the foreign affairs operations for the next 2 years, and while I appreciate the gentleman's concern about the issue, I do not necessarily agree with him, I especially appreciate his decision, hopefully, to let us move forward by withdrawing his amendment.

Ms. SLAUGHTER. Mr. Chairman, I rise today in strong support of the Skaggs amendment, and to express my continued concern about the relentless attacks the new majority continues to make on women. And this time their attack spreads to women and families across the globe.

Once again, Mr. Chairman, we have before us a bill which will inhibit international organizations from providing needed family planning services. Not only does this bill potentially cut off funding for those organizations which provide these needed health services, but it limits population assistance funds to 65 percent of the total amount appropriated in fiscal year 1995.

We must realize the unintended consequence of such action.

Some Members of the majority who oppose a woman's constitutional right to choose are expanding the scope of their opposition to cover all family planning activities. In so doing, these harmful provisions only serve to increase the risk of unintended pregnancies, unplanned births, and unnecessary abortions. It simply doesn't make sense to inhibit the activities which are intended to prevent abortions. And this bill, by limiting population assistance and those who provide it, does just that.

Mr. Chairman, I am gravely concerned about the language in this bill which will endanger the health of women around the world. I urge my colleagues to closely examine these provisions, consider the unintended consequences, and support the Skaggs amendment.

Mr. SMITH of Jersey. Mr. Chairman, I move to strike the last word.

Mr. Chairman, just let me say, so that the record is very clear on this, the language in this bill is a compromise. It was very carefully worked out. The Gentleman from Alabama, distinguished chairman of the Subcommittee on Foreign Operations, has worked with Members to try to find some way out of the difficulty and the impasse that we find ourself with the White House as well as with the Senate.

None of us is totally happy with this. I think, as my colleagues know, when people talk about the huge so-called cuts in family planning, let me remind Members that in 1992 the United States spent $325 million on family planning. In the last fiscal year we spent $356 million. That is a 16-percent increase, and this bill straight-lines that amount into fiscal year 1997. Many of us believe very strongly that abortion—lobbying for abortion and performance of abortions—is not family planning, and that is what the issue comes down to.

The Mexico City policy was in effect for about 10 years under the Reagan and Bush administrations. The United

States was the primary donor of international population control funds around the world during those years. And it was the NGO'S that refused to divest themselves of the killing and the maiming of unborn children by way of chemical poisoning or by way of dismemberment of the child by suction machines and other methods, they were the ones who were taking themselves out of contention for those Federal funds. They were the ones so obsessed with killing babies that they forfeited U.S. donations.

That is what this is all about, and I just want to say that I understand the gentleman from Colorado is going to withdraw this amendment, but had he not, we would have—and I would welcome it—a full-fledged debate on the Mexico City policy again. Because I think that is the preferable way. But I am also a realist, and I understand what likely would happen over the Senate side, and we would be there right into December, probably, debating this issue. But, you know, that too would be OK with me. This is a compromise. Nobody is happy with it I'm not—but I think it is a step in the right direction, and again there is much money in here, a 16-percent increase over 1992.

Let me also say that it really is disingenuous for Members to suggest that the language in this bill ''cuts'' population control. Let's remember that the Clinton Administration hyperinflated pap funds in fiscal year 1995. And isn't it amazing how quickly the new higher level became the baseline. When did the international adoption industry get a ''entitlement''? As I pointed out, if we look at the historic levels that AID has provided for family planning, the fiscal year 1997 spending plan is above those levels. Thus—rightly or wrongly—the United States remains one of the major providers of those kinds of funds.

Let me just say the distinguished gentleman from Alabama has done yeoman's work on trying to craft this compromise. This compromise has to hang together or else it all falls apart and we are right back to Mexico City. Frankly, that would be just fine with me, but as of now I think this is the way we ought to proceed.

I thank the distinguished gentleman from Alabama. He is a true statesman and true believer in human life.

And let me just take one exception to what the gentlewoman said from New York. This bill is very pro-women I have worked with the gentleman from Alabama on child survival and maternal health care. This legislation directs $600 million by way of earmarks for the child survival and disease account. As my colleagues know, if we look in Africa and elsewhere—and I chair the Subcommittee on International Operations and Human Rights, and we have looked at this every carefully, we have worked with WHO and UNICEF and others—kids and women are dying in exceedingly high numbers in those countries from preventable diseases. Hundreds of millions of dollars in this bill are responsive to those needs. And I am grateful to Mr. CALLAHAN for his responsiveness to these pressing needs.

Mrs. LOWEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Skaggs amendment that will restore necessary funding to international family planning. For our colleagues on the far right to call the restrictions on international family planning in this bill a compromise is ludicrous.

Not only do the provisions in the bill slash funding for the programs, but they also force programs to abide by the Mexico City restrictions in order to get adequate funding. My colleagues, this is not a compromise, this is the worst of both worlds.

Our chairman, Mr. CALLAHAN, has crafted an excellent foreign aid bill and I will support it. However, I will fight to have this extreme language removed from the bill in conference. It is simply unacceptable.

Last year, this bill was held up by the antichoice caucus' insistence that the bill contain some restrictions on international family planning. Well, here we go again. They have included a provision in this bill that they know both the Senate and the administration will reject.

And as for their suggestion that this is a compromise, let us not forget who was involved in this so-called ''compromise.'' This is not a deal between the pro-choice caucus and the antichoice caucus, this is a deal between CHRIS SMITH and DICK ARMEY, two antichoice leaders.

The bottom line is that this provision will slash by over one-third one of the most important forms of aid that we provide to other countries: family planning assistance.

No one can deny that the need for family planning services in developing countries is urgent and the aid we provide is both valuable and worthwhile.

Let me illustrate for you the impact of these cuts. It has been estimated that the slashing of these funds will result in: 7 million people in developing countries that would have used contraceptives now will not have access to them; 4 million women will have unintended pregnancies; as a result of those pregnancies, there will be 1.9 million unintended births; 1.6 million more abortions; 8,000 more women dying in pregnancy and childbirth; and 134,000 more infant deaths.

These tragedies will be the direct result of this provision.

And as we have said repeatedly on this floor, the Mexico city restrictions, including the international gag rule, are simply unnecessary. Not a single U.S. dollar pays for abortions overseas. The members of the antichoice caucus are so obsessed about this issue that they see problems where they simply do not exist. International family planning programs decrease the number of abortions by making them unnecessary. Certainly that is a goal that we can all support.

I urge my colleagues to support this amendment. We cannot let them cut international family planning. There is just too much at stake.

Mrs. MEYERS of Kansas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of this amendment. The family planning provisions in this foreign operations appropriations bill are an absolute disgrace. Anybody who says that they are a compromise is either fooling themselves or trying to fool someone else. This bill contains a double-barrelled shotgun pointed at the heart of responsible population policy. It combines disproportionate funding cuts with onerous policy restrictions.

Last year there was the flimsy excuse that the funding restriction was there because there was no agreement on the policy. Now, the Mexico City policy is imposed, and there are still the unfair funding restrictions.

If money for NGO's that do not follow these diktats on abortion is going to be restricted, what is the point in then also unduly restricting the total amount of money that can be spent on family planning? I do not know why it so difficult for some of my colleagues to understand that if couples do not have access to contraceptives, they are more likely to then get an abortion. And that if we cut money for family planning, it leads to more abortions, not less. That is why I say this debate is not about abortion, but about family planning.

The world's population is growing at an alarming rate. In just 4 years, the population of Africa is going to reach 1 billion. By 2010, India's population will reach 1 billion, by 2020, it will pass China as the world's most populous country.

Population pressure threatens to ignite conflicts and war all around the world. And just like any other problem in the world, nothing is going to be done about it unless the United States shows some leadership. Unfortunately, this bill is negative leadership. Please pass this amendment.

□ 1745

Mr. OLVER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Colorado [Mr. SKAGGS], an amendment which would lift the cap on family planning services requiring that no more than 65 percent of fiscal 1996 funding should be available in fiscal 1997.

Mr. Chairman, I wish to associate myself at this point, without the whole repetition, with the reasons which have been enumerated by the gentleman from Colorado, the gentlewoman from New York, and the gentlewoman from Kansas in her comments just completed.

Mr. Chairman, I want to extend a little here and say that I commend this bill's commitment to the Middle East peace process, the whole of the legislation; but its approach to the rest of the world is, it seems to me, simply bad policy. The legislation provides strong support for Israel and the peace partners in the process of Arab-Israeli reconciliation as it moves forward, and I support the financing levels for Israel, the West Bank, Gaza, and Egypt, and the President supports those amounts as well.

Mr. Chairman, after nearly 2 decades of progress, where American leadership has been so critical following the Camp David Accords, we must continue our commitment as Israel faces a period of transition under new leadership. But while our commitment to the Middle East must endure, so should our leadership and support in other regions of the world.

This legislation cuts aid to the new democracies in Eastern Europe and the former Soviet Union in an area where we were willing to spend $40 billion per year to conduct the Cold War, but we are now cutting deeply into the only $600 million or so that helps those new nations build their economies and democracies. Six hundred million is only a little bit more than 1 percent of what we were willing to spend year in and year out, 1 percent year in and year out, of the $40 billion that we were spending to keep the conduct of the Cold War going.

The bill, in its total, slashes support for global environmental maintenance, weakening the fight against degradation of our common oceans and our common atmosphere. This bill totally eliminates financing for the African Development Bank, and it severely cuts financing for international family planning, cutting 35 percent from last year's level, which is, of course, the subject of the amendment that we are considering at the moment; and among which provisions, in constraining international family planning, among those provisions are those which, in the words of the gentlewoman from Kansas who just completed speaking, are completely outrageous. This is short-sighted and I think flat out wrong. We really cannot afford to turn a blind eye on global problems of population growth and poverty and environmental degradation.

Mr. Chairman, I very much support and hope that we will support the amendment offered by the gentleman from Colorado [Mr. Skaggs].

Ms. WOOLSEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Skaggs amendment to the foreign operations appropriations bill. If Members believe that women, rich and poor alike, should have the right to choose safe motherhood, they must support the Skaggs amendment. If Members believe that women should have the right to choose how many children they have, they must support the Skaggs amendment. If Members believe that the United States has an obligation to support efforts to slow down the earth's rapid population growth and the misery that comes with it, they must support the Skaggs amendment.

Mr. Chairman, family planning programs are key to international self-sufficiency. Let me remind us that today, right now, we are debating a bill which reduces financing for overseas development. We cannot, in good conscience, reduce aid to poor countries and tell them to be more self-reliant, without giving them the tools to do so. I urge my colleagues, support the Skaggs amendment and remove the spending cap on international family planning.

Mr. SKAGGS. Mr. Chairman, I ask unanimous consent to proceed for 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. SKAGGS. Mr. Chairman, as I indicated in my opening remarks on this amendment, it is my intention to request unanimous consent to withdraw it. I regret having to make that request, given, obviously, my belief and the views of many of my colleagues who have spoken on the merits of this amendment. But the realistic circumstances that we face, as indicated by the comments made by the gentleman from New Jersey, I think make it advisable that we withhold on this.

Ms. PELOSI. Mr. Chairman, I rise today in support of the Skaggs motion to strike the cap on funding for international population assistance.

This bill singles out population assistance activities for a disproportionate 35 percent cut, more than other development and humanitarian assistance programs. This cut will have a direct and severe impact on the lives of women and their families in developing countries. It would be expected to result in 7 million couples in developing countries left without access to modern, safe contraceptive methods, 4 million women experiencing unintended pregnancies, 1.6 million more abortions, 8,000 more women dying in pregnancy and childbirth, including those from unsafe abortions, and 134,000 infant deaths. These are not theoretical arguments. These are numbers of real people—numbers of deaths that we have the power to prevent. Can your conscience allow these poor people to pay the price for reducing costs with their lives and the lives of their children?

I respect that there are competing priorities at odds in this bill. But how can there be a greater priority in this bill than preventing deaths and suffering of impoverished women and families in developing countries? We cannot address foreign aid without being serious about our responsibility to promote health and survival in countries of need. Without a proper commitment to these programs, we have the health and lives of poor women and children hanging over our heads.

I urge my colleagues to support the Skaggs amendment and retain proper funding for these life-saving family planning programs.

Mrs. MORELLA. Mr. Chairman, I rise in strong support for the Skaggs amendment. Simply put, this amendment would have ensured that the family planning program is treated the same as the rest of the development assistance portfolio, and not singled out for severe, disproportionate funding cuts.

We know that family planning saves lives. U.S. family planning assistance is critical to millions of couples who only ask for help in spacing their children and avoiding unplanned pregnancies. This bill, by subjecting our international family planning efforts to a 35-percent cut for yet another year, will result in more unwanted pregnancies, more abortions, and more maternal and infant deaths. Moreover, a cut of this magnitude undermines other humanitarian assistance programs, particularly U.S. efforts to improve child survival.

Again, the Skaggs amendment would only have deleted the provision of the bill that imposes a deeper spending cut on family planning than on the rest of our humanitarian assistance. It would not increase funding for foreign operations overall, nor would it have necessitated offsets.

Although the gentleman has chosen to withdraw his amendment, we in this House need to take a serious and unjaundiced look at the implications of the disproportionate cuts, as well as short-sighted restrictions, which have been imposed upon our family planning programs.

I look forward to working with the gentleman and other Members to reverse these provisions in conference.

Mrs. KENNELLY. Mr. Chairman, I rise today in support of the Skaggs amendment to remove the cap on population planning activities. Adopting this amendment would speak clearly to our concern for women, children, and families—wherever they may live.

The bill before us caps family planning activities at no more than 65 percent—less than two-thirds—of last year's level. This restriction would have a devastating impact on family planning activities worldwide.

Literally millions of people would be denied access to information. Unplanned—even unwanted—pregnancies would increase. Efforts to promote healthy pregnancies and healthy births would be undercut. None of this is necessary—and none is in our country's best interest.

If we believe that strong and healthy families are the building blocks of strong and healthy societies, we should make assistance of this kind more—not less available. The arbitrary cap contained in this measure would deprive families worldwide of the humane and respectful assistance they so often want.

I urge my colleagues to support families and the Skaggs amendment.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The CHAIRMAN. Are there any other amendments to title V?

AMENDMENT OFFERED BY MS. WATERS

Ms. WATERS. Mr. Chairman, I offer an amendment that is to be considered under the unanimous-consent request, amendment No. 74.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 74 offered by Ms. WATERS: Page 34, line 12, after the dollar amount, insert the following: ''(reduced by $8,000,000)''.

Page 34, line 24, after the dollar amount, insert the following: ''(reduced by $25,000,000)''.

Page 34, after line 24, insert the following:

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

For payment to the African Development Bank by the Secretary of the Treasury for the United States share of the paid-in portion of the increase in capital stock, $8,000,000 to remain available until expended.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the African Development Fund, as authorized by Public Law 103–306, $25,000,000, to remain available until expended.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order on the amendment offered by the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Chairman, I rise to offer an amendment to restore a modest financing level for the African development fund. This amendment is fundamentally about fairness. Our regional development lending institutions are strapped. The United States is in arrears on more than one of them. However, our obligations remain. However, this appropriations bill only zeros out one program, the African development fund. It appropriates $25 million for the Inter-American Development Bank, $100 million for the Asian development fund, and $13 billion for the Asian Development Bank.

In addition, Mr. Chairman, comparable institutions like the European Bank for Reconstruction and Development receives $12 million, and the North American Development Bank gets $50 million. I cannot accept singling out the African Development Bank and the African development fund, both of which are zero funded in this bill.

Mr. Chairman, my amendment would appropriate half the administration's request for the African development fund. This modest replenishment will allow the fund to do priority poverty alleviation work in Africa's poorest countries. The fund has depleted its resources and has not been able to make new loans.

These loans that assist the indigenous private sector development of these countries, as well as create export and investment opportunities for U.S. businesses, investing in primary education, preventive health care, and physical infrastructure, are crucial components of a growth and development program for Africa.

Mr. Chairman, it is no secret that the African Development Bank group has had organizational difficulties. However, since those problems came to a head 2 years ago, enormous progress has been made. For example, they have a new president who is committed to remaking the institution. Term limits have been adopted for all senior bank officials. Twenty percent of the staff has been dismissed and 70 percent of the managers have been replaced. A comprehensive audit of the bank group is underway. New lending policies have tightened access to lending for noncreditworthy borrowers and new inspector general type offices have been created and staffed. These changes represent one of the most, if not the most, expansive form of an institution of this kind ever.

Given this progress, it would be irresponsible for the United States, a leader, a prime pursuer of reform, to shirk its responsibility at this crucial time. The United States has a foreign policy and national security interest in the program of economic development in Africa. The African Development Bank group serves as a prime facilitator of this progress, especially the fund, which provides highly concessionary loans to poor borrowers and technical assistance grants to support lending operations.

This country must lead, not walk away from its responsibility. Hopefully, at a later time in the budget cycle this year, we will not be forced to make the difficult choices faced in this amendment. However, it is crucial that this House make a modest contribution to our international obligation for the African development fund. Again, Mr. Chairman, it is a matter of fairness. It is just inconceivable and unconscionable that every institution, every other bank, multilateral bank, has been funded and the African Development Bank and the fund both were zeroed.

There are those who will make the argument that funds were put in other places, but the cuts are continuing to grow as it relates to Africa. It is unfair, I take this opportunity to challenge us to do the right thing.

POINT OF ORDER

Mr. CALLAHAN. Mr. Chairman, I make a point of order against the amendment, because it provides an appropriation for an unauthorized program, and therefore violates clause 2 of rule XXI.

Clause 2 of rule XXI states, in pertinent part:

No appropriation shall be reported in any general appropriation bill or be in order as an amendment thereto for any expenditure not previously authorized by law.

Mr. Chairman, the authorization for the African Development Bank has not been signed into law. The amendment therefore violates clause 2 of rule XXI, and I ask for a ruling of the Chair.

The CHAIRMAN. Would the gentlewoman from California [Ms. WATERS] like to be recognized to respond to the point of order?

Ms. WATERS. Yes, Mr. Chairman.

Mr. Chairman, I am aware that it is not authorized in this legislation. However, the other banks are not authorized either, but they got a waiver in the rule. So what we have here is a construction that recognized that the other banks were not authorized, they waived the rule so they could fund them, but they excluded the African-American Bank, and the chairman of the committee knows that took place. So it is not a matter of simply not having an authorization. The others do not have one either.

The CHAIRMAN. The Chair is prepared to rule on the point of order.

While there is authorization law for the African development fund, appropriations for the African Development Bank for fiscal year 1997 are not currently authorized by law. The amendment, therefore, violates clause 2(a) of rule XXI. The point of order is sustained.

Are there other amendments?

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer amendment No. 44.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. OBEY: On page 31, line 4, after the colon insert the following:

''*Provided further.* That the Department of Defense shall conduct during the current fiscal year nonreimbursable audits of private firms whose contracts are made directly with foreign governments and are financed with funds made available under this heading (as well as subcontractors thereunder) as requested by the Defense Security Assistance Agency:''

Mr. GILMAN. Mr. Chairman, I reserve a point of order against amendment No. 44.

□ 1800

Mr. OBEY. Mr. Chairman, this amendment restores the requirement that foreign countries agree to an outside audit as a condition of receiving FMF grants. It has been included in the foreign operations bill for a number of years as a result of a number of notable bribery cases involving U.S. funds and foreign officials. It was not included in the bill by the committee apparently because the language is contained in another bill which passed the House and is pending in the Senate. But the problem is, we have absolutely no idea what the fate of that bill in the Senate will be, and this provision is too important to leave to the whim of the other body.

It is a very simple proposition. It restores the proposition that if you get an FMF grant from the United States Treasury that you have to agree to accept an audit. It boggles my mind that we would risk losing that language. I would think we would want to nail this language into every single bill moving through this House that affects foreign aid. I can think of absolutely no constructive purpose that is served by the elimination of language which simply provides for an audit any time a country gets an FMF grant from the United States, and I would urge its adoption.

The CHAIRMAN. Does the gentleman from New York [Mr. GILMAN] wish to be heard on his point of order?

Mr. GILMAN. Mr. Chairman, I continue to reserve my point of order.

Mr. CALLAHAN. Mr. Chairman, I rise to strike the last word.

Mr. Chairman, I do not differ with my colleague on the merits of this amendment. The committee has carried this provision for several years. However, the committee did not carry the provision this year at the specific request of Chairman GILMAN of the authorization committee. This is an authorization provision, and it is contained in the House passed bill, H.R. 3121, which has the support of both the gentleman from New York [Mr. GILMAN] and the gentleman from Indiana [Mr. HAMILTON] of the authorizing committee. They expect this measure to be enacted into law, and therefore, Chairman GILMAN does not believe that the inclusion of these authorization measures in our bill are necessary.

I have done my best to work with the authorizing committee on this issue, and therefore, I must reluctantly oppose the amendment of the gentleman from Wisconsin [Mr. OBEY], but only on those grounds.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I would simply say that it is very nice to hear that the gentleman from New York [Mr. GILMAN] expects some other legislation to pass which will restore protections for the American taxpayer. However, I do not care if this FMF loan goes to our best friend or our worst enemy, it ought to be audited, and if it is not audited, the loan should not be approved in the first place.

But in God's name do we expect to maintain any shred of public support for foreign assistance when we are eliminating in the appropriation bill for foreign assistance the requirement that anyone who receives FMF funds should be willing to accept an audit. For the life of me, I do not see why we ought to roll the dice and risk losing this provision which has been in the law for years.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, we certainly agree with the objectives of the gentleman from Wisconsin [Mr. OBEY] and his goals, and that will be built into our measure which we hope to take up shortly. We want to commend the gentleman for his approach to this very important problem.

Mr. OBEY. Mr. Chairman, if the gentleman will yield further, let me simply say, I would rather you withhold the commendation of me personally and instead let the language stand, because I remember how tough it was to get these provisions in the appropriation bill in the first place. I remember shouting at people from several embassies one very late night when we were in our conference on the bill, because they took offense to the fact that we wanted an audit if we were going to provide FMF funding for them.

So for the life of me, I appreciate the gentleman's comments, but I would rather that the gentleman denounce and leave my amendment stand.

Mr. GILMAN. Mr. Chairman, if the gentleman will further yield, the gentleman will not have to shout at our committee. We understand his objective and we will try our best to meet his objective.

POINT OF ORDER

Mr. GILMAN. Mr. Chairman, I make the point of order that the pending amendment is legislative in nature, does violate clause 2(c) of rule XXI, which provides that no amendment to a general appropriation bill shall be in order if changing existing law.

I want to commend the distinguished chairman of our subcommittee on appropriations who has adhered to his rule of making certain that there be no authorization language in this measure, and that that authorization would have to go through out committee.

Mr. Chairman, amendment No. 44 reinserts the provision which the chairman of the subcommittee, the gentleman from Alabama [Mr. CALLAHAN], agreed to pull out of this year's bill. Again, I thank the gentleman from Alabama [Mr. CALLAHAN] for working with us on these authorization provisions.

As is well-known, there has not been a foreign authorization bill entered into law since 1985. In an effort to make some headway, our Committee on International Relations separated from the foreign aid legislation some noncontroversial defense and security assistance authorities. The purpose of the committee was to revise and clarify these authorities and codify into permanent law authorizing language which has been too long carried on annual appropriation measures.

Now the ranking member of the committee, the gentleman from Wisconsin [Mr. OBEY], wants to reinsert these provisions back into the foreign operations bill, and we certainly will try to do that in an authorization measure.

These provisions are provisions which are contained in legislation that were twice passed by the House this year in our authorization legislation, first as a freestanding measure in H.R. 3121, and secondly as an amendment to fiscal year 1997 DOD authorizations.

The Committee on International Relations is trying to fulfill its responsibility as an authorizing committee. We passed this provision twice. Please let us do our business in the appropriate manner, and we assure the gentleman we will carry forth on his goals and expectations.

I might add that our measure is currently pending in the Senate, and the majority and the minority have reported that it should be proceeding soon without controversy.

Mr. OBEY. Mr. Chairman, I wish to be heard on the point of order.

Let me simply say that what bothers me is that this reminds me of what my old friend Dick Bolling, who used to represent the State of Missouri in such a distinguished fashion, it reminds me of what he used to call dung hill politics. He used to say that the problem around here is that so often committees are so concerned with jurisdiction that they put that before the substantive needs of the country. It seems to me that I would very much like to see the gentleman's committee be able to pass a bill, any bill. But it is more important to me to protect the taxpayers' interests in seeing to it that these loans are accompanied by an audit to protect the taxpayers' money.

If the gentleman insists on his point of order, which will simply remove from this bill an antifraud requirement, I cannot do much about it, but I think it is a sad day.

Mr. GILMAN. Mr. Chairman, I insist on my point of order and ask for a ruling by the Chair.

The CHAIRMAN. The amendment constitutes legislation by directing the Secretary of Defense to conduct an audit and is in violation of clause 2 of rule XXI. The point of order is sustained.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. OBEY; on page 30 line 5, after ''Act.'', insert

Provided further, That not more than $100,000,000 of the funds made available under this heading shall be available for use in financing the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act to countries other than Israel and Egypt.

Mr. GILMAN. Mr. Speaker, I reserve a point of order.

Mr. OBEY. Mr. Chairman, this amendment is similar to the previous amendment. This amendment restores language that has been carried in the foreign operations bill for a good many years. It limits to $100 million the amount that can be spent on non-Israel and Egypt FMF grants for direct commercial contracts. Its effect is to limit the extent to which countries can contract on their own for goods and services and thereby escape the oversight requirements of the Arms Export Control Act. It is again an antifraud safeguard because it assures that the Pentagon will review these contracts. It was stricken again by the Committee because again, it is contained in an authorization bill which has passed the House and is pending in the Senate.

Again, I have no idea what is going to happen to that authorization bill, or what mischief might occur along the way. All I know again is that this provision is too important to leave to chance. We fought a good long time to see to it that we had the added protection of Pentagon review of these contracts so that we do not have bribery

or fraud that occurs because the Pentagon is not able to oversee what happens in this account.

So again, this is a jurisdictional matter, but it would seem to me that the requirement to protect taxpayers' money ought to override any jurisdictional concerns that someone might have. I would urge acceptance of the amendment.

POINT OF ORDER

Mr. GILMAN. Mr. Chairman, on my point of order, I want to assure the gentleman again that his measure is included in our H.R. 3121 that is presently before the Senate, passed twice by the House, and we are optimistic that that measure will be adopted.

Mr. Chairman, I make a point of order that the last three lines of the bill have not been read and the limitation amendment is not in order, and for the same reasons as I previously outlined, I ask for a ruling on our point of order.

The CHAIRMAN. Does the gentleman insist on his point of order?

Mr. GILMAN. Yes, Mr. Chairman.

The CHAIRMAN. Does the gentleman from Wisconsin desire to be heard?

Mr. OBEY. Yes, I do.

Mr. Chairman, again, I think the issue here is whether or not a committee's jurisdiction is more important than the necessity to protect taxpayers' money. This provision has been carried for years without the objection of the authorizing committee. It seems to me that it is peculiar at a time when both parties are bragging like crazy to the American paople that we are going to balance the budget and fight waste, fraud and abuse, that we take the two main items in this bill that prevent fraud and abuse and strip them from the bill. That is indeed a quaint way to build support for public aid, and I again cannot do anything about it if the gentleman insists on his point of order, but I do not think the taxpayers' interests are being served by the elimination of the language that protects their hard-earned tax dollars.

Mr. GILMAN. Mr. Chairman, again, I reiterate that it has been passed twice by the House and it is presently before the Senate, and the proposal of the gentleman from Wisconsin [Mr. OBEY] is within that measure that is now pending before the Senate.

Mr. OBEY. Mr. Chairman, I would simply say that the fact that that legislation has been passed twice by the House and has not been passed by the Senate is not encouraging to me. That does not sound to me like a very good track record. It seems to me that since this is a must-pass bill, we need to keep this language in this bill because it is the only sure way we have of protecting the taxpayers.

Mr. GILMAN. Mr. Chairman, I am sure he will be pleased when this measure is permanently made into law once the Senate acts.

Mr. Chairman, I ask for a ruling on the point of order.

The CHAIRMAN. The Chair is prepared to rule.

The amendment is in the form of a limitation which must await the reading of the last lines of the bill where that question is raised under rule XXI, clause 2. The point of order is sustained.

Mr. YATES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to enter into a colloquy with the gentleman from Alabama [Mr. CALLAHAN]. The colloquy is with respect to the Jewish Agency in Russia. On April 30, 1996, the Jewish Agency, which is a quasi-governmental body that has brought more than 630,000 Jewish immigrants to Israel from the former Soviet Union since 1989, had its accreditation revoked by Russian Government authorities, which effectively terminated its right to operate is Russia. If the chairman recalls, during our subcommittee markup, I reserved the right to revisit the situation of the Jewish Agency and the Russian authorities were unable to come to an amiable settlement of the matter.

At this time, it is my understanding that the Russian Government has promised to renew by mid-June the Jewish Agency's accreditation. It is my hope that this misunderstanding can be cleared up, and we can continue the great strides made over the past 6 years.

Mr. Chairman, I would hate to see this as a sign of the return of the bad old days when Moscow placed sharp restrictions on immigration and ill-treated Jewish refuseniks. I will reserve on this matter so that I may bring this issue back at a conference should the conditions not change.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I appreciate very much the interest of the gentleman from Illinois [Mr. YATES]. Let me assure the gentleman we will review this situation when we reach conference with the Senate.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York.

□ 1815

Mr. GILMAN. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Illinois and want to note to the gentleman that we have already brought this to the attention of President Yeltsin and have voiced our objections on behalf of our committee, on behalf of the Congress and we will try to keep the gentleman apprised of any response.

Mr. HASTINGS of Florida. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Florida.

Mr. HASTINGS of Florida. I thank the gentleman for yielding.

Mr. Chairman, I, too, would associate myself with the gentleman's remarks and had earlier planned to file an amendment without understanding that he had been way ahead of me on that subject. So I thank the gentleman and the chairman in that regard and do not intend to offer the amendment that I had prepared.

AMENDMENT OFFERED BY MR. VISCLOSKY

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Indiana [Mr. VISCLOSKY] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 301, noes 118, answered ''present'' 1, not voting 14, as follows:

[Roll No. 214]

AYES—301

Abercrombie	Dellums	Heineman
Ackerman	Deutsch	Hilleary
Andrews	Diaz-Balart	Hinchey
Bachus	Dickey	Hobson
Baesler	Dicks	Hoekstra
Baker (CA)	Dingell	Hoke
Baldacci	Dixon	Holden
Barcia	Doggett	Horn
Bartlett	Dooley	Hoyer
Bass	Doolittle	Hunter
Becerra	Dornan	Hutchinson
Beilenson	Doyle	Jackson (IL)
Bevill	Dreier	Jacobs
Bilbray	Duncan	Jefferson
Bilirakis	Durbin	Johnson (CT)
Bishop	Edwards	Johnson (SD)
Bliley	Ehlers	Johnson, E. B.
Blumenauer	Ehrlich	Jones
Blute	Engel	Kanjorski
Boehlert	English	Kaptur
Boehner	Ensign	Kelly
Bonior	Eshoo	Kennedy (MA)
Bono	Evans	Kennedy (RI)
Borski	Ewing	Kennelly
Boucher	Farr	Kildee
Brown (CA)	Fattah	Kleczka
Brown (FL)	Fawell	Klink
Brown (OH)	Fazio	Klug
Brownback	Fields (LA)	Knollenberg
Buyer	Filner	LaHood
Calvert	Flake	Lantos
Camp	Flanagan	Largent
Campbell	Foley	LaTourette
Canady	Forbes	Lazio
Cardin	Ford	Leach
Castle	Fox	Levin
Chabot	Frank (MA)	Lewis (GA)
Chapman	Franks (CT)	Linder
Chenoweth	Franks (NJ)	Lipinski
Christensen	Frelinghuysen	LoBiondo
Chrysler	Frisa	Lofgren
Clay	Frost	Longley
Clayton	Funderburk	Lowey
Coburn	Furse	Lucas
Collins (GA)	Gallegly	Luther
Collins (IL)	Gejdenson	Maloney
Collins (MI)	Gekas	Manton
Condit	Gephardt	Manzullo
Conyers	Gilchrest	Markey
Cooley	Gilman	Martinez
Costello	Goodlatte	Martini
Cox	Goodling	Mascara
Coyne	Greene (UT)	Matsui
Cramer	Greenwood	McCarthy
Crapo	Gunderson	McCollum
Cremeans	Gutierrez	McCrery
Cubin	Gutknecht	McDade
Cummings	Hall (OH)	McDermott
Cunningham	Hastings (WA)	McHale
Danner	Hayworth	McHugh
DeFazio	Hefley	McInnis
DeLauro	Hefner	McKeon

McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Mink
Moakley
Molinari
Mollohan
Moorhead
Moran
Morella
Myrick
Nadler
Neal
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Orton
Owens
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Peterson (MN)
Pombo
Porter
Portman
Poshard
Pryce
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rohrabacher
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Royce
Rush
Sanders
Saxton
Scarborough
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Sisisky
Skaggs
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Stark
Stearns
Stenholm
Stokes
Studds
Stupak
Talent
Tate
Tauzin
Thomas
Thompson
Thurman
Tiahrt
Torkildsen
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wicker
Williams
Wolf
Woolsey
Wynn
Yates
Young (AK)
Zeliff
Zimmer

NOES—118

Archer
Armey
Baker (LA)
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Barton
Bateman
Bentsen
Bereuter
Berman
Bonilla
Brewster
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Callahan
Chambliss
Clement
Clinger
Clyburn
Coble
Coleman
Combest
Crane
Davis
de la Garza
Deal
DeLay
Dunn
Emerson
Everett
Fields (TX)
Foglietta
Fowler
Ganske
Geren
Gillmor
Gonzalez
Gordon
Goss
Graham
Green (TX)
Hall (TX)
Hamilton
Hancock
Hansen
Hastings (FL)
Herger
Hilliard
Hostettler
Houghton
Hyde
Inglis
Istook
Johnson, Sam
Johnston
Kasich
Kim
King
Kingston
Kolbe
LaFalce
Latham
Laughlin
Lewis (CA)
Lewis (KY)
Lightfoot
Livingston
McIntosh
Meyers
Mica
Miller (FL)
Minge
Montgomery
Murtha
Myers
Nethercutt
Ortiz
Oxley
Packard
Payne (VA)
Peterson (FL)
Petri
Pickett
Pomeroy
Quillen
Rogers
Sabo
Salmon
Sanford
Schaefer
Schroeder
Shuster
Skelton
Solomon
Spence
Spratt
Stockman
Stump
Tanner
Taylor (MS)
Taylor (NC)
Tejeda
Thornberry
Thornton
Volkmer
Vucanovich
Walker
Ward
White
Whitfield
Wilson
Wise

ANSWERED ''PRESENT''—1

Slaughter

NOT VOTING—14

Allard
Browder
Gibbons
Harman
Hastert
Hayes
Jackson-Lee (TX)
Lincoln
Pelosi
Roth
Sawyer
Schiff
Torres
Young (FL)

□ 1836

Messrs. BENTSEN, HILLIARD, GOSS, DAVIS, STOCKMAN, SAM JOHNSON of Texas, and GONZALEZ changed their vote from ''aye'' to ''no.''

Messrs. BALDACCI, REGULA, RICHARDSON and FROST, Mrs. MYRICK, and Mr. GEKAS changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. PELOSI. Mr. Chairman, on the previous rollcall No. 214, I did not make it to the Chamber in time. Had I been present, I would have voted ''aye'' on rollcall No. 214.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 29 offered by Mr. OBEY: On page 27, line 24, after the dollar amount, insert the following: ''(reduced by $3,000,000)''.

Mr. OBEY. Mr. Chairman, this amendment goes to the military training account. Last year the military training account was funded at $39 million. This year, despite the fact that the bill is being cut by around $1 billion, this account is going to receive a $6 million increase to $45 million.

That is an increase of 15 percent, out of only 3 accounts that have received an increase in the bill, and it seems to me that that is not proportional under the circumstances. With the end of the cold war, it seems to me that we ought to have a greater recognition than we have, that we simply cannot afford to be raising some of these military accounts while virtually everything else in the budget is being cut.

I support and continue to support an IMET program in Eastern Europe, the former Soviet Union, places like that. I also think it is useful in developing countries to try to have a military relationship of some kind.

But I would ask why on Earth the United States should spend $25,000 or $50,000 for countries like Austria, Finland, Spain, Portugal, countries which are relatively high-income countries? I understand that the basis of these programs is reciprocal training arrangements, and I am all for that. But I see no reason why, if these are so valuable, that the countries who are on the receiving end of the training should not be paying for the cost.

We are being asked, under the budget that passed the House some time ago, to cut Medicare, and we are being asked to consider means testing Medicare to require higher income seniors to pay higher amounts. Why on Earth should we be doing that if we are not asking higher income countries to pay for the military training which we are providing under IMET? It seems to me only a rational thing to do.

So, I would simply urge, in the interest of some balance and the interest of some fiscal prudence, that the committee approve the amendment.

Mr. CALLAHAN. Mr. Chairman, I move to strike the last word in opposition to the amendment.

Mr. Chairman, I find myself in the unique position of having to defend the administration for one of the programs they essentially deem as one of the most important military functions that they do. I received a letter today from the Chairman of the Joint Chiefs of Staff, John Shalikashvili, and from Secretary William Perry, the Secretary of Defense, telling us that this program was crucial.

The gentleman from Wisconsin talks about the fact that we increase IMET, but what he does not talk about is in 1995, when he was chairman of this committee, he cut IMET training by 50 percent. But now comes a Democratic administration, the President, the Secretary of State, the Chairman of the Joint Chiefs of Staff, the Secretary of Defense, all telling us that this is very crucial to their effectiveness in running an effective military.

The IMET training program is a program that trains military people. It trains them in areas such as human rights. It trains them in areas such as military engagement. It gives us the ability of having people that are trained in such a manner whereby if we ever are in some situation with them, they will understand something about military strategy.

□ 1845

It is a crucial program to the administration. I find myself, as I said, uniquely trying to defend an administration that normally the gentleman from Wisconsin [Mr. OBEY] is defending and I am on the opposite side.

But, Mr. Chairman, this is a vital program. It is a well-thought-out program. It is well received by many of our allies throughout the world, and without it the United States would lose great military advantages. So I would urge the Members on both sides of the aisle to go along with the President, to go along with the Secretary of Defense, with the Secretary of State, with the Chairman of the Joint Chiefs of Staff and to leave this appropriation as the subcommittee agreed, where incidentally, no discussion of this ever came up in subcommittee.

So, Mr. Chairman, I would urge all my colleagues to continue to allow us to adequately fund the IMET training program and to reject the amendment of the gentleman from Wisconsin.

Mr. GILMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am pleased to rise in opposition to this amendment and the following amendment which cuts the IMET program. The IMET program is an extremely important program which should be fully funded. The proposed fiscal year 1997 program will enable us to reach more than 5,000 personnel in over 120 different countries.

In recognition of the importance of this program, the Committee on International Relations and the Subcommittee on Foreign Operations, Export Financing and Related Programs of the

Committee on Appropriations recommended full funding in fiscal year 1997 for the IMET program in the 150 budget function.

Mr. Chairman, let me note that both the authorizing and appropriations committees met the administration's request in fiscal year 1996 and in fiscal year 1997. Forty-five million dollars in fiscal year 1997 is not an unreasonable funding level. And while it is an increase from last year, this level of funding merely returns IMET to levels of funding for the program from fiscal year 1990 to fiscal year 1993.

Further, $45 million in IMET funding in fiscal year 1997 will enable our Nation to advance its foreign policy interests in over 30 new country programs that have been instituted since 1991, primarily in Central Europe and in the former Soviet Union.

And finally, Mr. Chairman, I want to make the point that I understand the fiscal 1997 DOD authorization bill, as reported by the Senate Armed Services Committee, contains language which once again makes it clear that it is the intent of that committee to move responsibility for funding and implementation of the IMET program to the Department of Defense.

We need to fully fund the IMET program so that the Senate Armed Services Committee and the Department of Defense hears our message loud and clear. We are committed to supporting full funding for this program in the 150 account.

I believe the gentleman from Wisconsin should want to retain control of this program in the 150 account, and should it be moved to the 050 account, we can be certain funding would go even higher, perhaps as much as $60 million more.

Accordingly, I urge my colleagues to vote for full funding for IMET. Vote against the Obey amendment.

Mr. BEREUTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Obey amendment. I do that reluctantly, because the gentleman and I agree on many issues. Here is one where we disagree. I think my chairman, the gentleman from New York, BEN GILMAN, has given some very important reasons why we should have full funding for IMET and, indeed, it was this gentleman's amendment in the authorizing committee, debated and which raised the authorization level to the full amount requested by the administration.

Mr. Chairman, I want to point out to my colleagues that when Secretary Perry came to address a meeting of House Republicans some time ago, within the past year, and out of all the issues he might have spoken he focused his remarks primarily on the IMET program. He asked us to continue to give it full funding. He stated on another occasion, I believe, as the chairman mentioned, if in fact this IMET program was funded by the authorization of the Committee on National Security, it would be authorized at a higher level. But because IMET is found within the 150 account, it gets very tough and special scrutiny.

I would also say to my colleagues that the IMET program is one of those programs that pays very big dividends in reinforcing the human rights concerns that this country and other countries.

The officers and noncommissioned officers that take advantage of these IMET programs come to our programs, and they receive a very heavy dose of human rights and civil action training as a part of their IMET training programs. I think for that reason, too, the IMET program is a very good investment that we make in our foreign policy and in our military-to-military relationship.

So, Mr. Chairman, I strongly urge my colleagues, in this case, to reject the Obey amendment and go for the full amount requested by the appropriations subcommittee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. OBEY]

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. OBEY. Mr. Chairman, 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 CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Wisconsin [Mr. OBEY] will be postponed.

The point of no quorum is considered withdrawn.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. OBEY: On page 27, line 24, after the dollar amount, insert the following: ''(reduced by $1,525,000)''.

Mr. OBEY. Mr. Chairman, this amendment cuts $1,525,000 from the IMET account. The amount of the cut corresponds exactly to the amount requested for the high-income countries of Austria, Finland, Malta, Portugal, Spain, Singapore, India, and Bahrain. The per capita gross domestic product for Finland is $16,140; for Austria the per capita income is $17,500; for Spain, $13,000; for Malta, $10,700; for Portugal, $10,000; for India, $1,300; for Singapore, $19,900; for Bahrain, $12,100; yet, this committee is insisting that we pay for the training costs for these countries.

Mr. Chairman, I would point out there are countries in this bill who receive aid where the per capita income is less than $400 a year. It just seems to me strange indeed that countries like Austria and Singapore cannot afford to pay for the training which we provide. I am not saying we should not provide training to these countries, I am saying we ought to do it on a cash paid-for basis. I do not see why we ought to fund it.

I would point out that a number of these countries spend a much smaller share of their gross domestic product on military expenditures than we do. I would point out a number of these countries are knocking our socks off on trade in a wide variety of sectors in the trading economy.

I can see no reason whatsoever why I ought to ask somebody in my State or in my district, making $8,000 or $9,000 a year, to support a program which provides military assistance, military training to countries that make $20,000 a year on average.

So, Mr. Chairman, enough said. I will not belabor the point, but I urge the acceptance of the amendment.

Mr. CALLAHAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I wish the gentleman from Wisconsin had raised this issue earlier, during the markup, or at least highlighted it in his discussions with me on our bill. The high income figure he offered does not cut IMET to high income countries, it just cuts IMET by $1.5 million. The high income countries will still be able to get IMET funds.

Furthermore, $1.2 million of the $1.5 million is to cut IMET to the gentleman's high income countries: India, $400,000 and Portugal $800,000. The remaining $300,000 is for the true high income countries, like Singapore or South Korea. The only reason they get this is so they can have access to U.S. military training.

I think it is wrong to penalize India and Portugal, as this does, and especially since it does not, in my opinion, achieve the gentleman's goal. I think if the gentleman from Wisconsin [Mr. OBEY] were to choose to retire in the not too distant future, and if he had a friendly administration to him, that he would make an excellent Secretary of State, if indeed Warren Christopher did not want to serve any longer. And once he achieves that position, I think the gentleman should then be entitled to make decisions such as he is forcing upon the administrative branch of government.

The gentleman is a Member of Congress. It is up to us to direct and to suggest to the administration. We are not even the authorizing committee. But here we are playing pseudosecretaries of state, telling them because of the fact that we feel this way, that we ought to restrict the administration's ability to have an effective foreign policy as well as military policy.

So, Mr. Chairman, the gentleman knows the respect I have for him, and I want to assure him if I am still a Member of Congress and still chairman of this committee, and this gentleman does indeed, as Secretary of State, come to me saying, ''For goodness sake, will you please fund IMET training to the substantial amount so we

can have an effective foreign policy?'', I will respond to his wish. But I will not tonight respond to his wish because it is wrong, I tell the gentleman, and I am going to respectfully ask, No. one, that he withdraw the amendment, and in the absence of that, I would ask all my colleagues to vote ''no'' on the Obey amendment.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. Yes, Mr. Secretary.

Mr. OBEY. Mr. Chairman, since the gentleman asked me to consider withdrawing it, I simply want to point out that the only reason that this amendment is not drawn to specifically forbid aid to those countries and simply subtracts the amount that is provided in aid to those countries is that, as the gentleman well knows, were I to draw it the other way, it would be subject to a point of order, and I have already had two points of order lodged against amendments I have offered today.

So the gentleman is kind of offering me a deal that I have no choice but to refuse.

Mr. CALLAHAN. I appreciate that.

Mr. Chairman, I urge rejection of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. OBEY].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. OBEY. Mr. Chairman, 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 CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Wisconsin [Mr. OBEY] will be postponed.

The point of no quorum is considered withdrawn.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MR. RADANOVICH

Mr. RADANOVICH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. RADANOVICH: Page 97, after line 5, insert the following new section:

LIMITATION ON ASSISTANCE TO TURKEY

SEC. 573. Not more than $22,000,000 of the funds appropriated in this Act under the heading ''Economic Support Fund'' may be made available to the Government of Turkey, except when it is made known to the Federal official having authority to obligate or expend such funds that the Government of Turkey has (1) joined the United States in acknowledging the atrocity committed against the Armenian population of the Ottoman Empire from 1915 to 1923; and (2) taken all appropriate steps to honor the memory of the victims of the Armenian genocide.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order against the amendment.

Mr. RADANOVICH. Mr. Chairman, in this turbulent century we have witnessed humanity's great potential for good and bad, but the world has triumphed more often in the last 96 years and it has been disappointed. And yet while focusing on humanity's successes is always more attractive——

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. RADANOVICH. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, let me make an inquiry as to whether or not this is a limitation amendment.

Mr. RADANOVICH. This is, yes.

Mr. CALLAHAN. And if so are there other nonlimitation amendments?

The CHAIRMAN. Is the gentleman from Alabama insisting on his point of order at this time?

Mr. CALLAHAN. Mr. Chairman, I want to know if there are other nonlimitation amendments before we get to limitation amendments.

Mr. RADANOVICH. Mr. Chairman, I ask unanimous consent to withdraw my amendment and will introduce it at the appropriate time.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

□ 1900

Mr. FRANK of Massachusetts. Reserving the right to object, I reserved the right to object not to interfere with the gentleman from California but to ask the Chairman's intentions. What happens if there are no further nonlimitation amendments?

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Then we will go to limitation amendments. We wanted to dispose of all of the nonlimitation amendments before we got to the limitations.

Mr. FRANK of Massachusetts. I thought maybe I would get a cabinet nomination out of my colleague.

In lieu of that, Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. PALLONE. Mr. Chairman, reserving the right to object, I am not sure, was it clear, are there any other nonlimitation amendments? I did not think there were.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. PALLONE. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I would simply like to inform the subcommittee chairman that there was one additional amendment which I was going to offer to title I, which I got permission earlier to offer. But at this point I do not intend to offer that amendment.

Mr. PALLONE. Mr. Chairman, I withdraw my reservation of objection.

Mr. CALLAHAN. So there are no other nonlimitation amendments? That is what we were seeking.

Absent that, Mr. Chairman, I withdraw my reservation of a point of order.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there other amendments not precluded by clause 2(a) or clause 2(c) of rule XXI?

If not, the Clerk will read the last three lines of the bill.

The Clerk read as follows:

This Act may be cited as the ''Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997''.

The CHAIRMAN. Are there other amendments?

Mr. CALLAHAN. Mr. Chairman, I ask unanimous consent that all debate on the next amendment and all amendments thereto close in 30 minutes and that the time be equally divided.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. PALLONE. Reserving the right to object, Mr. Chairman, I would ask that on this next amendment, the Radanovich amendment, if it were possible to have that unanimous consent request withdrawn. We just wanted to see how many speakers would be here. We will try to limit it to the 30 minutes, if possible, but since a lot of the Members who wanted to speak on the amendment were not necessarily aware that the time was limited and thought they would have 5 minutes, I would like to not limit it formally at this time, if the Chair won allow us that.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. PALLONE. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, in the spirit of compromise which I have done all the way through this bill, with both sides of the aisle, with every Member present here tonight, I would be happy to.

Mr. Chairman, I withdraw my unanimous-consent request.

AMENDMENT OFFERED BY MR. RADANOVICH

Mr. RADANOVICH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. RADANOVICH: Page 97, after line 5, insert the following new section:

LIMITATION ON ASSISTANCE TO TURKEY

SEC. 573. Not more than $22,000,000 of the funds appropriated in this Act under the heading ''Economic Support Fund'' may be made available to the Government of Turkey, except when it is made known to the Federal official having authority to obligate or expend such funds that the Government of Turkey has (1) joined the United States in acknowledging the atrocity committed against the Armenian population of the Ottoman Empire from 1915 to 1923; and (2) taken all appropriate steps to honor the memory of the victims of the Armenian genocide.

Mr. CALLAHAN. Mr. Chairman, in the spirit of compromise, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 40 minutes and that the time be equally divided.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. OBEY. Mr. Chairman, reserving the right to object, I do not personally have a problem with that, but I have been told that there are a number of Members on this side of the aisle who do. So I would urge that the gentleman withdraw that request, and I would urge that the gentleman consider offering a time limit of 1 hour.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, if we do allow debate for the 40 minutes, as I have suggested, would the gentleman at that time be willing to agree to some limited amount of time to debate this after that point, maybe limiting debate time for each Member to 2 minutes or 1 minute or to designate the time?

Mr. OBEY. Mr. Chairman, I am not in a position to support cutting off amendments that other Members offer. I have just been asked by a Member of our leadership not to.

Mr. CALLAHAN. Mr. Chairman, I withdraw my unanimous consent request, and I ask unanimous consent that all debate on this amendment and all amendments thereto close in 60 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. WILSON. Mr. Chairman, reserving the right to object, I will not object, but I would say to the chairman that I think this amendment, from what I hear on this side, I think this amendment is the one that Members want more time on. I do not think you need to give an hour for all subsequent amendments.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, the unanimous consent request was just this one amendment.

Mr. WILSON. Mr. Chairman, I did not understand that.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. FRANK of Massachusetts. Reserving the right to object, Mr. Chairman, I will not object, but just for scheduling purposes, would it then be the intention, I wonder if it is proper to ask that the clustered votes would then take place so Members might know? I know we have been talking about a vote at 8. If we have a 60-minute limit, to which I do not object, would it then be the Chair's intention to go to the three votes that would then be pending? Members have been talking about an 8 o'clock time from the standpoint of scheduling here.

The CHAIRMAN. Is that the intention of the gentleman from Alabama?

Mr. CALLAHAN. Mr. Chairman, I withdraw my unanimous consent request.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. RADANOVICH].

Mr. RADANOVICH. Mr. Chairman, in this turbulent century, we have witnessed humanity's great potential for good and bad—but the world has triumphed more often in the last 96 years than it has disappointed. And yet, while focusing on humanity's successes is always more attractive than remembering any stumbles, we as civilized peoples, countries, and nations must not deny the immorality of such stains on history as the Holocaust and the Armenian genocide.

Therefore, Mr. Chairman, today I offer an amendment which provides a practical incentive to Turkey to join the community of nations in recognition of a tragic chapter in its history. Let me explain the amendment.

This amendment links Turkey's denial of the genocide to United States foreign aid levels. In other words, the amendment states that if Turkey joins the United States in acknowledging the atrocity committed against the Armenian population, and takes all appropriate steps to honor the memory of those innocent victims, it will then receive the full portion of aid appropriated to it in H.R. 3540.

This amendment is reasonable. The levels of economic aid we propose to withhold from Turkey is approximately 2 percent or $3 million. The figure of $3 million is equal to the amount the Turkish Government spends on swaying opinion in Washington.

Mr. Chairman, let me conclude by saying that such distinguished individuals as Ronald Reagan, Winston Churchill, and Woodrow Wilson, have recognized the terrible tragedy suffered by Armenians from 1915–1923. Today this body has the opportunity of encouraging Turkey to respect the memory of those Armenian victims. I ask that you vote in favor of this amendment.

Mr. PALLONE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am very proud to be a cosponsor of the Radanovich amendment. Again, as Mr. RADANOVICH mentioned, capping economic support fund aid to Turkey at $22 million, as this does, represents a cut of about 2 percent of the total U.S. military and economic assistance, approximately $3 million. We know that the government of Turkey has spent at least that amount annually in its Washington lobbying and public relations effort.

I was on the floor just the other day talking about some aspect of that. One of the things they have been doing rather successfully, is basically donating money to major universities to establish chairs of Turkish studies. Then they use that oftentimes to influence what goes on at those universities.

I was very concerned about that issue, particularly in my home State of New Jersey, because they established one of these chairs at Princeton University, one of the leading institutions of higher learning in the Nation. And yet, we have documented that some of the promotional efforts that have come out of that donation, have basically resulted in an effort to try to deny that the genocide ever took place.

Rather than confront the historical record of the Armenian genocide, the Turkish Government has chosen to instead to ignore the documented evidence. This pattern of denial offends the memory of those who perished, contradicts the historical record in our own national archives, and helps lay the groundwork for those who would commit similar atrocities in the future.

Our amendment provides a practical incentive for Turkey to join the international community in coming to terms with this tragic chapter in history. By acknowledging the Armenian genocide, Turkey will open the door to full diplomatic relations with Armenia.

I do not want to go through the historical account of the genocide because I think that we should try to limit our time here. But I just wanted to say that to this day the government of Turkey maintains this policy of denying that the genocide against the Armenians ever took place.

I, just to give you an example from my own experience, myself and Congressman PORTER have on various occasions written to the Turkish embassy and talked about the genocide. And we get very curt responses suggesting that the genocide never took place, And yet the historical record is clear. There were no Nuremberg trials, and there has been no official atonement by the Turkish nation. And I think the only way that we can make this point and to try to persuade Turkey, which receives millions of dollars of U.S. aid, is to basically try to pass a resolution like this that makes them acknowledge that the genocide took place.

I just want, again, for the sake of time, I just want to point out that there have been many Americans and world leaders who have continued to point to the genocide and the example of the Armenian genocide.

Just to quote two of them here today, if I could, I wanted to mention a statement by President Reagan that was made on April 22, 1981. He said, Like the genocide of the Armenians before it and the genocide of the Cambodians which followed it and like too many other such persecutions of too many other people, the lessons of the Holocaust must never be forgotten.

President Clinton said this year on the anniversary of the genocide, April 21, that he joins with Armenians around the world on this solemn day in commemorating the senseless deportations and massacres of 1.5 million Armenians that took place from 1915 to 1923 in the Ottoman Empire.

The bottom line is that if we do not recognize that genocide takes place, it

will happen again. We know that it happens over and over again historically. One of the most disgraceful things I think is when Adolf Hitler said, before he started the preparations for the Jewish Holocaust, he mentioned that no one remembered the Armenian genocide. Therefore, there was no reason why he could not proceed.

We do not want this genocide to continue. The Turkish Government must recognize it. Once they do, I think relations between our countries will certainly be a lot better. I urge adoption of the amendment.

Mr GILMAN. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. GILMAN. Mr. Chairman, I am pleased to rise in support of the amendment offered by the gentleman from California [Mr. RADANOVICH].

Mr. Chairman, Germany has acknowledged the Holocaust. Japan has apologized for its atrocities in World War II, but regrettably Turkey remains adamant in opposing measures which simply recognize the genocide of Armenians under the government that preceded the Turkish Republic. All this amendment seeks is that the Turks take a step similar to Germany's and Japan's in acknowledging genocide crimes and honor its victims. The Armenians deserve at least that much.

Mr. BONIOR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to begin by thanking my colleagues who are joining me in offering this amendment today. The gentleman from California [Mr. RADANOVICH], the gentleman from Massachusetts [Mr. BLUTE], the gentleman from New Jersey [Mr. PALLONE] have all put in a great deal of work in bringing this issue to the floor.

Mr. Chairman, I rise today to urge my colleagues to support this amendment.

The Armenian genocide is one of the great tragedies of our century.

Beginning on the night of April 24 in 1915, the religious and intellectual leaders of the Armenian community of Constantinople were taken from their beds, imprisoned, tortured, and killed.

In the days that followed, the remaining males over 15 years of age were gathered in cities, towns and villages throughout Ottoman Turkey, roped together, marched to nearby uninhabited areas, and killed.

Innocent women and children were forced to march through barren wastelands—urged on by whips and clubs—denied food and water.

And when they dared to step out of line, they were repeatedly attacked, robbed, raped—and ultimately killed.

When all was said and done, one and one-half million Armenians lay dead, and a homeland which has stood for 3,000 years was nearly completely depopulated.

Mr. Chairman, we bring this amendment to the floor with the knowledge that all of us have a responsibility to remember the victims, to speak out and to make sure that tragedies like this are never allowed to happen again.

We must pause today and say ''Never again.''

We can never forget that in 1939, another leader used the Armenian genocide as justification for his own genocide.

This leader said, and I quote: ''I have given orders to my Death Units to exterminate without mercy or pity men, women, and children belonging to the Polish-speaking race. After all,'' Adolf Hitler asked, ''who today remembers the extermination of the Armenians?''

Mr. Chairman, it is up to all of us to remember.

For centuries, the Armenian people have shown courage and great strength.

The least we can do is match their courage with our commitment.

Because today, we must be their voices.

If we don't remember, nobody else will.

Mr. Chairman, some may say this amendment will alter our relationship with Turkey, and I agree—it will.

It will give the Turkish government an opportunity to join with us in acknowledging the Armenian genocide.

Such an acknowledgement will help to open the door to improved relations in the region.

We know from ethnic conflicts around the world that differences are hard to set aside until history, no matter how tragic, is acknowledged. Only then can the healing process begin.

Today, let us follow the example of Elie Wiesel, the noted Nobel Peace Prize Laureate and Holocaust survivor, who said this about the Armenian genocide:

''. . . The Turks should have understood the pain and the anger of the Armenians who are denied the right to remember . . . The Turks today are not responsible for the bloody events that took place 50 years earlier, but they are responsible for their present attitudes regarding these events.''

Mr. Chairman, this is our opportunity to confirm the historical record. This is about human rights. It's about historical fact. As this century draws to a close, we cannot allow these tragic events to be erased from our memory.

Support this amendment and stand for those who count on us to be their voices.

□ 1915

Mr. LIVINGSTON. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. LIVINGSTON. Mr. Chairman, I rise in strong opposition to this amendment. We have already had the Visclosky amendment, and we have treated a NATO ally, a very strong NATO ally, in such a manner that, frankly, we would not dare treat other allies or other members of the world community.

But this amendment takes an act, certainly an atrocity, that was committed by an entirely different government almost 100 years ago and takes a much newer country and rubs their noses in the acts that happened so very long ago. It is just incredible, it is wrong-headed, it is bad policy. I urge that Members vote against this. It is a destructive measure which will do nothing but offend a great ally of the United States and jeopardize our Nation's security.

The measure withholds ESF moneys to Turkey unless the Turkish Government acknowledges the Armenian genocide and takes steps to honor the memory of its victims. Do we require any other nation to admit to blatant political statements? Of course not. This language does not belong in this or any other measure.

The bill already caps ESP at $25 million. It is less than half of the administration's request. The intent of this language is simple: embarrass a valuable ally for whatever political purposes or otherwise, depending on who our constituents may be.

If adopted, the language will eliminate all ESF funding for Turkey. While some in this Chamber are in favor of this, it will have a devastating impact on Turkey.

ESF funding for Turkey is extremely important. The funds will simply be used to help them address long-term structural reforms necessary to sustain growth and ease their entry into the European Customs Union. The funds will also be used to help offset the economic cost associated with the enforcement of U.S. sanctions against Iraq, and I should remind Members that the bill already significantly reduces the amount available for Turkey.

Turkey is, again, one of our most strong and most steadfast NATO allies. The strategic importance to the United States is immense. General Shalikashvili said it best: ''Turkey occupies the new front line in the post-Cold War era. The strategic value to the United States of having a staunch and steadfast ally situated in a critical and strategic location in the flanks of the Middle East cannot be overstated.''

Turkey has stood with the U.S. during a number of troubling times for our Nation. During the Gulf war she was extremely important. They were one of the first countries to participate in the U.N.-sanctioned embargo of Iraq. This cost them over $20 billion. To this day the negative effects and financial loss are still being felt. Turkey allowed the use of NATO air bases, where over 2,700 strike missions against Iraq were launched. Without the use of these air bases we would not have been able to achieve the victory over Iraq without accruing greater expenses or suffering more casualties.

Since the Gulf war, Turkey's importance in assistance has grown highlighted by their hosting ''Operation Provide Comfort'' to protect Iraqi Kurds since its inception after the Gulf war; participating in the mission to Bosnia by training the Bosnian army, thereby furthering the critical goal of achieving military parity in the region; signing a military agreement with Israel which provides for joint military cooperation and securing Caspian oil reserves for Western consumption. These reserves provide a viable alternative to OPEC dependency.

Turkey is making serious progress in the area of human rights. It is important to point out that they are one of the only Muslim countries—if not the only Muslim country—with a free press, independent judiciary and all elements of a secular parliamentary democracy. They have established a human rights commission and a human rights ministry designed to monitor human rights. They are a signatory of the United Nations and European Conventions against torture.

Turkey has also instituted many legal reforms that reduce pretrial detention, enforce a detainee's rights to counsel at all stages of detention and ban unethical methods of interrogation such as torture. One point that is often forgotten in the debate is in the presence of a terrorist organization, the PKK, in Turkey.

The State Department's report on human rights situation in Turkey, while it raised many concerns about the situation there, did raise some important points. Continued U.S. support for Turkey is essential, and the PKK represents a major threat to Turkey's sovereignty and territorial integrity.

It would be wrong for us, Mr. Chairman, to include in this bill such inflammatory language as this amendment poses on Turkey.

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. LIVINGSTON] has expired.

(By unanimous consent, Mr. LIVINGSTON was allowed to proceed for 1 additional minute.)

Mr. LIVINGSTON. Whether one supports aid to Turkey or not, one should agree that this is not the forum for such rhetoric. The substance of this amendment has been defeated time and time again in years past, and it should be defeated again.

I urge the defeat of this amendment.

Mrs. LOWEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of this amendment.

Mr. Chairman, this year marks the 81st anniversary of the Armenian genocide, an act of mass murder that took 1.5 million Armenian lives and led to the exile of the Armenian Nation from its historic homeland.

It is of vital importance that we never forget what happened to the Armenian people. Indeed the only thing we can do for the victims is to remember, and we forget at our own peril.

The Armenian genocide, which began 15 years after the start of the twentieth century, was the first act of genocide of this century, but it was far from the last. The Armenian genocide was followed by the Holocaust, Stalin's purges, and other acts of mass murder around the world.

Adolf Hitler himself said that the world's indifference to the slaughter in Armenia indicated that there would be no global outcry if he undertook the mass murder of Jews and others he considered less than human. And he was right. It was only after the Holocaust that the cry ''Never again'' arose throughout the world. But it was too late for millions of victims. Too late for the 6 million Jews. Too late for the 1.5 million Armenians.

Unfortunately, there are still some who refuse to admit that this genocide occurred. The Turkish Government has actively denied that the Armenian genocide happened. This amendment will encourage the Turkish Government to end this campaign of denial and recognize the suffering of the Armenian people.

Mr. Speaker, after the genocide, the Armenian people cried out, ''Let us never forget. Let us always remember the atrocities that have taken the lives of our parents and our children and our neighbors.'' I rise today to make sure that those cries were not uttered in vain.

I urge my colleagues to support this amendment.

Mr. LIVINGSTON. Mr. Chairman, will the gentlewoman yield?

Mrs. LOWEY. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. I know that the gentlewoman is concerned about the genocide, as we all should be, by an event that happened almost a hundred years ago. But does the gentlewoman feel that the country of Israel, whose constituents suffered greatly at the hand of the Holocaust, as the gentlewoman well knows, is any less interested in such genocide. Is she aware that Israel has just engaged in some very close negotiations for a warm relationship with Turkey?

Mrs. LOWEY. Mr. Chairman, I am pleased to know that, and I am pleased that there has been some negotiations and discussions and important arrangements made for security between Israel and Turkey, and I would hope that this amendment would encourage the Turks to certainly acknowledge the Armenian genocide and would take a stronger role in freeing Cyprus and in speaking out and acting against some of the human rights abuses.

I understand, Mr. Chairman, the importance of Turkey, in fact, in our regional needs. I understand the importance of Turkey as an important ally. And what we hope to do with this amendment, as with other actions that we hope to take, is send a very strong signal to Turkey although they are an important ally, they must certainly stand up and speak out against all kinds of human rights abuses.

Mr. LIVINGSTON. Mr. Chairman, if the gentlewoman would yield further, perhaps the gentlewoman read the article appearing in the local press about 4 or 5 days ago in which it was indicated that actually Turkey is strengthening its ties with Israel because the United States, for whatever reason, is proving to be a much less reliable ally?

Mr. PALLONE. Mr. Chairman, would the gentlewoman yield?

Mrs. LOWEY. Certainly I yield to the gentleman from New Jersey.

Mr. PALLONE. Mr. Chairman, the only point I wanted to make very briefly is, as my colleagues know, in the same way that the German Government, which today of course, as my colleagues know, could hardly be seen as the successor to the Nazi regime, constantly makes reference and apologizes for what the Nazis did to the Jews and other people in Eastern Europe, and as a result we have a very cleansing effect, if my colleagues will, on the German people and on the German nation. We would like to see the Turkish Government do the same thing. They are the successor to the Ottoman government. Rather than every time we write to them or bring up the genocide, they are coming back to us and saying, and I will do it from my own experience, that it never occurred; that they would acknowledge that this happened in their history and go through this same cleansing process.

So I think the example of the Nazi Holocaust means that they should acknowledge it, not that they should reject that it ever occurred. And I thank the gentlewoman from New York.

Mrs. LOWEY. Mr. Chairman, I thank the gentleman from New Jersey.

☐ 1930

Mr. BUNN of Oregon. Mr. Chairman, I move to strike the requisite number of words.

(Mr. BUNN of Oregon asked and was given permission to revise and extend his remarks.)

Mr. BUNN of Oregon. Mr. Chairman, I am not sure whether we are here to set foreign policy or we are here to have a history lesson, but we are getting quite a history lesson today. Others will talk about the negatives of the Ottoman Empire, without question, but there are some other things that are left out in the discussion.

For example, when we are told about the Nazi regime and the current German Government, if we looked at a map of Germany before and after the war, it would look fairly similar. If we looked at the Ottoman Empire before and after, we would not see anything that was even close. The Ottoman Empire included Turkey, Iran, Iraq, Syria, Lebanon, Israel, and many other territories.

The Ottomans chose the wrong allies in World War I. Their enemies, who were our allies, were not just in the war to defeat the Ottomans, they were also in the war to possess the Ottoman lands. Italy, Greece, France, England,

Russia, and others eyed the territory of the Ottoman Empire. Russia wanted Constantinople, which was the key to controlling access to the Black Sea. France wanted, and got, Syria and Lebanon. England wanted Iraq and the Persian coast to protect their interests in India.

With the defeat in World War I, Mr. Chairman, the Ottoman Empire ceased to exist. It was not just one government following another. The empire ceased to exist, just as the Byzantine Empire before them no longer existed. The Sultan had been forced to surrender to the European powers, and the European powers were in the process of dividing the spoils. A group of Turks, led by Ataturk, were unwilling to have their land occupied by conquering armies, so they raised their own force and fought the authority of the Sultan and of the European powers. Turkey was born from this effort.

Mr. Chairman, today's democracy in Turkey is no more responsible for the actions of the Ottoman Empire than the Soviet Union was responsible for the actions of the czars or the United States was responsible for the actions of England before the birth of our Nation.

Mr. Chairman, history is important and it should not be ignored, but neither should we dig up something from 80 years ago and ask a nation that did not exist to apologize for what it did not do.

Ms. PELOSI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of this amendment. I would like to tell Members why. I think it is very important for us to note, and every opportunity we have we should take advantage of, to reject genocide wherever it occurs.

Sadly, more than 80 years after the commencement of the Armenian genocide by the Ottoman Turkish Government, the present-day Turkish Government, and indeed, it is a separate government, not only denies the occurrence of the genocide, but also has initiated a well-financed campaign to distort and tarnish the American historical record on this subject.

Mr. Chairman, passage of this amendment will serve to deter the Turkish government from pursuing their unconscionable coverup of this internationally recognized crime against humanity. But do not take my word for it. Let us reference some American Presidents and how they referred to the Armenian genocide.

President Reagan, at the remembrance of victims of the Holocaust on April 22, 1981, said:

> Like the genocide of the Armenians before it, and the genocide of the Cambodians which followed it, and like too many other persecutions of too many other people, the lessons of the Holocaust must never be forgotten.

In 1990, April 20, President Bush said:

> Their history, though marked by a number of tragedies, nonetheless reflects their faith and strength and the resilience of their tradition. Those tragedies include,

and we are talking about the Armenians now,

> their tragedies include most prominently the terrible massacre suffered in 1915 to 1923 at the hands of the rulers of the Ottoman Empire. I call upon all peoples to work to prevent future acts of inhumanity against mankind, and my comments of June, 1988, reflect the depth of my feeling for the Armenian people and the suffering they have endured.

President Clinton said on April 24, 1996:

> I join with Armenians around the world on this solemn day in commemorating the senseless deportation and massacres of 1.5 million Armenians that took place from 1915 to 1923 under the Ottoman Empire. Tragically, our century has repeatedly born witness to man's senseless inhumanity to man. Together we mourn the terrible loss of so many innocent lives.

There are two issues here, Mr. Chairman. One is the issue of the Armenian genocide. And yes, we should not hold this Government responsible for something that happened 80 years ago. But we can ask this Government not to try to revise history. We can ask this government to stop its campaign to distort the historical record on the Armenian genocide. That is why this amendment is so important. I have heard it characterized a variety of different ways, that it would stop assistance to Turkey, et cetera. That is why I would like to read the amendment, Mr. Chairman.

It says:

> Not more than $22 million of the funds appropriated in this act under the heading ''economic support fund'' may be made available to the government of Turkey, except when it is made known to the Federal official having authority to obligate or expend such funds that the Government of Turkey has (1) joined the United States in acknowledging the atrocity committed against the Armenian population of the Ottoman Empire from 1915 to 1923; and (2) has taken all appropriate steps to honor the memory of the victims of the Armenian genocide.

So this is not about eliminating assistance to Turkey. This is about cutting back from $25 million to $22 million. Once gain, I think it is most appropriate for this Congress to follow the lead of a bipartisan list of American Presidents and the bipartisan support that we have had on this issue for a long period of time in making our message clear to the Turkish Government, that while we need them as an ally and we respect the progress they are making in human rights, the fact is that their strategic location or the fact of the Islamic fundamentalism in their country is no license for them to try to revise the history of the Armenian genocide, not to disregard the rights of the people in Armenia for humanitarian assistance by their blockade of Armenia.

Mr. Chairman, I urge my colleagues to support this important amendment.

Mr. BLUTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, tonight I rise to offer my strong support for this important amendment that is before us here today. The amendment we will vote on recognizes the Armenian genocide by simply reducing the amount of economic aid available to Turkey until they acknowledge the horrible events that occurred during the Armenian genocide.

Mr. Chairman, those of us who are offering this amendment know full well that Turkey is a strong ally and a strategic ally of the United States, but the $3 million reduced represents a minimal amount of aid. Turkey will still be eligible to receive $22 million overall. It certainly does not in any way restrict the President in the conduct of our foreign policy, and it does not place Turkey at an economic disadvantage. Furthermore, it does not touch one penny of military aid.

What it does do, Mr. Chairman, is link economic aid to Turkey's willingness to confront its history and acknowledge the Armenian genocide as a terrible event in the history of the Ottoman Empire that should not be brushed aside cavalierly. Consistently and unfortunately, our ally, Turkey, has neglected to acknowledge the Armenian genocide. I recognize that this is a difficult issue, political issue, in Turkey. However, the genocide of 1.5 million innocent people deserves recognition by this House of Representatives. No one today denies the Holocaust of Eastern Europe; at least no one worthy of our attention or respect.

Similarly, no one should deny the Armenian genocide. We are not trying to assign blame, but merely trying to bring attention to a consistent pattern of ignoring the truth and denying historical fact. History is important, and as we have been told, those who forget history are condemned to repeat it. Genocide is a word that we should take very seriously, that makes the soul recoil, and in some ways language refuses to describe it.

Mr. Chairman, tonight I am proud to join with my colleagues, the gentleman from California [Mr. RADANOVICH], the gentleman from Michigan [Mr. BONIOR], and the gentleman from New Jersey [Mr. PALLONE] in supporting this amendment and honoring the memories of those who perished in this genocide, and encouraging and urging our friend and ally, Turkey, to acknowledge this fact of history.

Mrs. MALONEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment, and I commend my colleagues for bringing it to the floor.

Earlier today, we debated and overwhelmingly passed a bipartisan amendment that will cut United States economic assistance to Turkey unless that nation allows humanitarian aid to flow to Armenia. Turkey, an ally to the United States, can and must take a humane step and end its blockade of Armenia. In the same vein, Turkey can and must end its blockade of history. The Armenian genocide was a fact.

The genocide was substantiated by detailed press accounts of the day, as well as by thousands of pages of documents from historical archives all over the world. I have personally sat down with constituents who survived the genocide and listened to their tragic stories.

We all read recently about a Princeton University professor who is the leading academic spokesman for those who deny the Armenian genocide. It was troubling to learn, of course, that his research is bought and paid for by the Turkish Government.

Turkey must stop its historical revisionism. By once and for all acknowledging the crimes against humanity committed by the Ottoman Empire, Turkey will take a great stride forward in its international relations. And Turkey would take a great stride forward for the simple cause of truth and human decency.

Let us make sure that this great House speaks out tonight for truth and justice.

Support the Radanovich-Bonior amendment.

Mr. TORRICELLI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have never heard of such a modest request, more simple in form or in substance. The Armenian people simply want recorded in history what every schoolchild learns at the earliest stages of their education. They seek no revenge and they come forward with no rancor. They recognize that the dead die twice when the crimes against them are not recorded.

In this case, not a few individuals, not just simply a few forgotten souls, but hundreds of thousands, indeed in excess of 1 million, a whole people helplessly locked inside churches, surrounded in villages, hunted down in the streets, the Armenian people suffered the first great genocide of the 20th century.

To some it is a distant part of history, but to those who still live with the memories, to those who lost mothers and fathers and other relatives, it is a haunting nightmare. Indeed, Mr. Chairman, for those who care about history, and here in the final days of the 20th century are committed to the concept that the worst of our time will not be repeated, it is more than relevant. The Armenian genocide is compelling.

Indeed, the story has been told every year in which I have served in this Congress, and it will be told every year until justice is done. In contemplating the genocide against the Jews, Hitler's first question was, ''Who remembers the Armenians?''

Today I come to my colleagues and I ask again, who is to remember the Jews, the Cambodians, the Bosnians, all the lost souls of history, if every despot and dictator in our time and in the ages to come can believe that their crimes will ever be forgotten, because if they are forgotten, then in the eyes of history, they are forgiven.

Mr. Chairman, there are some things that must never be forgotten. Crimes against humanity are one of them. I know every Member of this House wants only friendship with the Turkish people. They have been our ally. They have stood with America. But earlier tonight, in arguing on the corridor act, we asked justice in that it is a despicable crime to deny humanitarian assistance to those who are suffering. At other times we cite the occupation of Cyprus, aggression in the Aegean, crimes against the Kurds. There is a compelling argument that a pattern is developing with the Turkish people against her neighbors.

□ 1945

It began with the Armenians. It continues against the Cypriots and the Kurds, and in this Congress we do no favor to our friends in Turkey to deny this simple truth.

So tonight, Mr. Chairman, I rise in support of the amendment vowing that every Member of this House, every year until it is done. We will rise until justice is done for the Armenian people and history is written as history occurred.

Mr. BURTON of Indiana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have debated the so-called Armenian genocide issue for the past 13 years. I can remember when I stood at this table with a stack of books this high from historical experts who had studied the so-called Armenian genocide and took issue with the findings of the majority of the speakers here tonight. They do not believe the conclusions that have been reached by the legislation that has been proposed. The fact is, there was a lot of killing on both sides, and there is enough blame to go around. There is no question that a lot of Armenians were killed, but there were also a lot of Turkish people that were killed as well.

Now, the fact of the matter is, there is a divergence of opinion on this issue. Historians from the Middle East come to different conclusions about the issue. And for us to start penalizing an ally like Turkey when there is this huge division of opinion among historical experts, historians, just does not make any sense to me. I could see us kicking somebody in the teeth who is an enemy of the United States, but to go back 70 years, 80 years and start dredging up old wounds and old issues that is going to divide the people in that part of the world makes no sense to me. It just makes no sense whatsoever.

If there was conclusive evidence that the Armenian genocide did take place the way it is depicted here tonight, then I would say let us go ahead with it. But there is a huge divergence of opinion. We had a hearing before the international operations committee just a few weeks ago and we had historians from Turkey, historians from other parts of the Middle East who made it their life's goal to get to the bottom of all of this, and they had very strong differing opinions. It was split right down the middle. So for the U.S. Congress to take one position on this, the position that is being proposed here tonight and penalizing one of the best allies we have, Turkey, makes absolutely no sense whatsoever.

Mr. LIVINGSTON. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Chairman, I know the gentleman from Indiana is schooled on foreign affairs and I know that perhaps he has the answers to these questions, but the thought has occurred to me, we have just, at the behest of the President of the United States, opened up diplomatic relationships with Vietnam. Was there any precondition that the Vietnamese own up to the massive numbers of people that they killed in the revolutions of the last 40 years?

Mr. BURTON of Indiana. There was absolutely none. As a matter of fact, 2,300 POW–MIA's were not accounted for, as every President before demanded.

Mr. LIVINGSTON. And perhaps the gentleman could tell me, has there every been any condition on Boris Yeltsin to own up to the terrible genocide imposed by the Stalin regime against 30 million Russian people and perhaps no telling how many Polish people and other people throughout the CIS today?

Mr. BURTON of Indiana. No, there was none.

Mr. LIVINGSTON. Was there any precondition on foreign aid going to Russia?

Mr. BURTON of Indiana. There was no precondition whatsoever.

Mr. LIVINGSTON. As a matter of fact, was there any precondition on any assistance that we might have sent to our allies of today penalizing the French for what Napoleon might have done or for the British or for what the British Empire might have done throughout the world when they controlled the world, or any despot that might have lived in the last 150 years? Is the gentleman aware of any other country that we have penalized for something that happened 100 years ago or more and said that we are simply not going to honor our commitments to them as a modern day ally?

Mr. BURTON of Indiana. My colleague makes a very, very valid point. What we are doing is dredging up an issue that happened 70 years ago, if it happened at all, and there is a divergence of opinion, and we are penalizing a friend based upon that erroneous information. I thank the gentleman very much for his comments.

Mr. PALLONE. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from New Jersey.

Mr. PALLONE. These is a big distinction between what the gentleman was

citing and what we are talking about here today. We are talking about a crime against humanity, genocide. We are talking about a country that made a concerted effort to wipe out a people and a country that has refused to recognize that that occurred.

Mr. BURTON of Indiana. Mr. Chairman, reclaiming my time, I have studied this issue and debated this issue for 13 years, and I am telling you that we have brought history book after history book after history book and stuck them up on this table, and there is a strong divergence of opinion about what happened, and that is the problem. Therein lies the problem, because there is no conclusive evidence on one side or the other, and for us to penalize our friends because of inconclusive evidence makes no sense.

Mr. CALLAHAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, this debate tonight is not over really whether or not Turkey or some people in Turkey some 80 years ago performed an atrocity on some people. There is no doubt. History documents that. They tell us that that is the fact. We agree that it was an atrocity, all of us here tonight. So the debate is not whether or not the atrocity took place, but whether or not this is 1996 or 1923. Yes, the atrocities took place, but at the same time it is not what took place then, it is what is taking place today.

If we are going to demand that Turkey apologize for something that took place that many decades ago, why do we not at the same time we praise them for some of the good things that they have done? Why do we not look at the fact that history has reflected that Turkey has been a loyal NATO ally for decades? Why are we not praising Turkey for its essential support during the gulf war when it saved thousands of Americans lives? Why are we not standing by Turkey because they stood by us. When the Soviet Union was shattering their borders, they stood by us.

The gentleman from Michigan [Mr. BONIOR] made an excellent point. Today's Turks did not commit these atrocities. Today's Turks are hosting Provide Comfort to provide Iraqi Kurds comfort from Saddam Hussein. Today's Turks signed a military agreement with Israel, a key United States ally in the Middle East. Today's Turks are sworn to fight on the side of American soldiers to protect our interests in Europe. Today's Turks saved hundreds of American lives during the gulf war.

This amendment is an unbalanced amendment, and it fails to differentiate the past from the future. Why do we not, as the gentleman from Louisiana [Mr. LIVINGSTON] suggested, talk about Vietnam? We are trying now to do some business with Vietnam to open trade relations. Why are we not demanding an apology from them? We are trying to build power plants in North Korea to stop them from nuclear proliferation of power plants. Why are we not first demanding from them before we go in there with KEDO and say you, you must issue an apology to the United States of America? Why are we not doing it to Japan? Why are we not doing it to Germany? Why are we just picking on Turkey?

Mr. Chairman, I do not stand here and defend for one minute the fact that these atrocities took place, but I do stand here and defend this bill and to tell you that this is 1996. Our military, our national government is insisting and hoping that we will let them handle foreign policy, we will let them address this issue. Sooner or later, they will apologize. But it should not be in this piece of legislation. Let us not send a message to the world that just because you did something 60, 70, 80, 100 years ago that we are not going to consider you in ally anymore, but rather we are going to condemn you.

This is a good bill as it stands. We already have one limiting amendment to Turkey already, and this one just goes a little too far. So we worked hard, we worked long, we tried to reach some reasonable agreement on both sides of the aisle with respect to all of the issues in this bill, and I would encourage this body to reject this amendment because it simply goes too far, and unnecessarily so.

Mr. WISE. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I rise in very strong opposition to this amendment for all the reasons that have been outlined by the chair and others, but for some others as well.

If we are going to talk about history, I would urge new Members particularly not to make some of the mistakes of history, mistakes such as I made. I voted for this amendment the first time I was here, my first session, and then I started to look at it more thoroughly. Please, before you vote on this, look at a map, a map of the world, and look at Turkey and look at where Turkey is situated. Of course, it was even more clear-cut in the old days, the old days being what, 5 years ago. It was even more clear-cut that it was the Soviet Union that we were up against and Turkey was like a knife blade in the flank of the Soviet Union, listing posts for us, staging area, but someone that we counted upon as we contended with the Soviet menace. Well, of course, we do not have that anymore. But we do have a very, very real situation in the world today.

Continue to look at that map, because while you are looking at the former Soviet Union, you are also looking at a nation that borders Iran, a nation that borders Iraq, a nation in its proximity to Syria, all very bad actors on the world scene. Yet this is a nation that we are going to drag up a 70- or 80-year dispute that is intensive, that is vitriolic, that is red hot to all parties involved, and we are going to insert ourselves right in the middle of it? It is insane to me.

I also ask my colleagues to look at the present day situation in Turkey. Turkey is not a stable country. We like to think that it is, but its democracy is undergoing some rough times right now as it deals with what some of those bordering nations have not dealt with very well, as it deals with the pressure of modern day fundamentalism, the fundamentalist Muslim movement that threatened the government when it was up for election this time.

In the last election, which was fairly recently, within the last year, the Prime Minister's party lost, that party which was sympathetic to the United States. There is a coalition that has been cobbled together. That coalition incidentally may fall, based upon some things that have happened recently. That coalition was cobbled together. In many ways, that is all that stands between having a secular state and one that is a Muslim fundamentalist state, another state which, incidentally, you will not have to have this debate, because if that happens, Turkey will no longer be on the board as an ally of the United States.

I do not have to go too far back to the Persian Gulf War, if we all remember 500,000 men and women from the United States in the Persian Gulf fighting against Saddam Hussein. Who was the person we were looking to then for a lot of our assistance? It was Turkey. Where is it that we still have a lot of our materiel based right now? It is Turkey. Yet, this is a nation that we are going to bring up this historical dispute, kick around a little bit, threaten governments and say, I am sure things will be the same as normal.

I do not know about the history of it. Genocide is terrible wherever it occurs, and everyone is going to have to form his or her own opinions. I do think that the chairman, full committee chairman and others have pointed out that there are many other instances of genocide as well where similar action has not been taken. But I can tell you this. There are going to be a lot of us that deeply regret this resolution passing, if indeed it passes, if indeed it should be enacted. We will cause, simply by passing this resolution in the House, particularly based upon what occurred just a few minutes ago, by passing this resolution will be enough to cause significant mischief in the foreign relations between this country and Turkey.

Mr. Chairman, I just beg my colleagues not to pass this resolution. I would once again urge new Members, those of you who have been here less than 4 years, please, please, go look at that map before you come over to this floor for a vote and look at the significance of the vote you are casting.

Mr. MENENDEZ. Mr. Chairman, this amendment will ensure that the 1.5 million victims of the Armenian genocide will not be forgotten. By telling their history and evoking their names we protect them and indeed ourselves from those who would willfully erase from history their lives and the tragic events which occurred between 1915 and 1923.

As with the Nazi Holocaust, we have a responsibility to society to recount the history of the Armenian genocide so that we do not forget its victims and so that we remember man's capacity to destroy others who differ in their opinions, race, religion or ethnicity.

Genocide is the most egregious crime. It is not a crime of passion or revenge, but rather of hate—its innocent victims are guilty only of being born to a different mother.

Since 1923 Turkey has virtually denied the Armenian genocide. There has been no justice and there were no Nuremberg trials for the victims and the families of the Armenian genocide. This amendment is not about cutting aid to Turkey, it is about justice for Turkey's Armenian victims.

Ralph Waldo Emerson tells us:

The history of persecution is a history of endeavors to cheat nature, to make water run up hill, to twist a rope of sand. The martyr cannot be dishonored. Every lash inflicted is a tongue of fame, every prison a more illustrious abode; every burned book or house enlightens the world; every suppressed or expunged word reverberates through the earth from side to side. Hours of sanity and consideration are always arriving to communities, as to individuals when truth is seen and martyrs are justified.

This amendment gives us an opportunity to make the words of Mr. Emerson true. Support the victims and the families of the Armenian genocide and support this amendment.

Mr. MANTON. Mr. Chairman, I rise today to urge my colleagues to vote in favor of this very important amendment introduced by Rep. RADANOVICH. The Armenian genocide of 1915–1923 is a tragic event that should never have taken place. This amendment simply states that the country of Turkey should recognize the devastating event that took place 81 years ago as a genocide. It is of vital importance that we do not allow any country to view this event casually.

This amendment would ensure that Turkey take steps to honor the memories of the victims of Armenian genocide. Turkey must come to terms with this tragic event in history. Not only would this amendment enable Turkey to properly remember those who were brutally killed by the Ottoman Empire, it will open doors for full diplomatic relations between Turkey and Armenia.

Mr. Chairman, this amendment would not only persuade the Turks to properly recognize the Armenian genocide, it would lay the groundwork for a peaceful existence for future generations in those two countries. This amendment does not change history, it simply asks the Turks to join those who still live with the nightmare and brutal memories of what happened to Armenian people over 80 years ago.

I urge my colleagues to support this honorable amendment.

Mr. LEVIN. Mr. Chairman, I rise today in support of the Bonior amendment. It presents a practical approach for Turkey to finally come to terms with a terrible chapter in the Armenian genocide.

Eighty-one years is far far too long to deny the deaths of 1.5 million Armenians. And yet to this day, the Government of Turkey has remained silent—a silence that is deafening.

The Bonior amendment provides a proper incentive for Turkey to finally end the silence. It also sends a message throughout the world that despots cannot and will not get away with crimes against humanity.

History shows that we cannot forget the past lest we be doomed to repeat it. Only through remembering and acknowledging the past can we stop such horrible crimes against humanity from happening again. I urge my colleagues to vote for the amendment.

□ 2000

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. RADANOVICH].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. RADANOVICH. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from California [Mr. RADANOVICH] will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BURTON of Indiana: Page 97, after line 5, insert the following new section:

LIMITATION ON ASSISTANCE FOR INDIA

SEC. 573. Not more than $48,674,000 of the funds appropriated in this Act under the heading ''Development Assistance'' may be made available to the Government of India, or to nongovernmental organizations and private voluntary organizations operating within India.

Mr. BURTON of Indiana. Mr. Chairman, we have talked about human rights violations that may or may not have taken place 70 years ago, but what I want to talk about tonight are human rights violations that are taking place today.

First of all, let me just say if we were not even talking about human rights violations, this amendment would make sense, because what it does is it freezes assistance to India at last year's spending level. We are not cutting the aid to India, the developmental assistance, we are just freezing it at last year's spending level.

The administration and the bill chose to raise it by $8.3 million. So what we are doing really is not cutting anything, we are just freezing spending at last year's level, but it will save $8.3 million because we are not going to allow the increase. So if for no other reason than the fiscal impact, this bill makes some sense.

But let us talk about what is going on in India today in a place called Kashmir, Punjab, Nagaland, and elsewhere. More than 150,000 Sikhs have been killed by the Indian regime since 1984. This includes more than 40,000 killed in the Delhi massacre, over 20,000 killed in the Golden Temple attack, and 25,000 killings documented by other leaders over there. India has also killed over 200,000 Christians in Nagaland since 1947 and more than 40,000 Muslims in Kashmir since 1988 and tens of thousands of Tamils and others.

According to the U.S. State Department, between 1991 and 1993 the Indian regime paid over 41,000 cash bounties to police officers for killing innocent people, Sikhs. Women in Kashmir, because of their Muslim beliefs, are taken out in the middle of the night, their husbands are held at gun point in their homes, and the women are gang-raped, and many of those women commit suicide or leave the country because of the shame that is brought upon them. This is happening today.

This picture shows a picture of a man who has been disemboweled and tortured. His arm has been burned severely, he has been disemboweled, there are burns on his side. This is what the Indian occupied troops are doing in Kashmir and Punjab. They have 550,000 troops in Kashmir, they have 550,000 troops in Punjab, and this goes on daily.

Recently, I want to read to my colleagues what happened when a fellow was stopped. One of the leaders was stopped, he was taken out of his car and he was killed. They took his driver, they tied his legs, one to one car and one to the other, and they drove off in different directions and cut him in two.

This is not baloney, folks, this is really happening, and it is happening at the hands of the Indian Government. We are our brother's keeper. We should be concerned about human rights violations wherever they take place in the world. We may have some differences of opinion on what happened 60, 70, 80 years ago, but today in India, In Kashmir and Punjab, this is taking place. This is happening right now.

They drained some canals in Punjab and Kashmir, and they found hundreds of bodies with their hands tied together and their feet bound, and they were thrown in the canal and drowned. They estimate, according to reports that we have, that almost every single person that is taken into prison in Punjab and in Kashmir is tortured. This goes on every single day.

We might say, well, if that is happening, why does the world not know about it? Well, Amnesty International is not allowed in there. Other human rights groups are not allowed in there. Television cameras are not allowed in there, and so the world does not see it.

Now, if Congressmen go over there and they seem to have a bias toward India, what they will do is they will take them out there with Indian troops and Indian guides, and they will go through to talk to people. But those people will not respond because they are afraid they will be tortured or punished later on if they say anything in front of the Indian officials that are with the traveling people that come in there.

The fact of the matter is that area should be opened up. The world should be able to see. If they could see what is going on in Punjab and Kashmir and Nagaland, the world would shudder, because it is as bad as what was going on in Bosnia.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. BURTON] has expired.

(By unanimous consent, Mr. BURTON of Indiana was allowed to proceed for 2 additional minutes.)

Mr. BURTON of Indiana. Mr. Chairman, we have talked about this before, and I know I have a lot of my colleagues who have Indian constituencies who are going to stand up here tonight and say all of this is baloney and it is not really happening. Well, I want to tell my colleagues I have had CIA informational reports, I have had other documented reports that have come into my office over the last 13 years, and I am convinced beyond any reasonable doubt that these things are occurring.

All I am asking tonight is to send a signal. I am not saying cut off all developmental aid to India, I am not saying cut off every dollar, although I think we should. We should not be supporting a regime like that. But what I am saying is let us just send one little signal to the Indian Government that the United States Congress does not want to stand still for human rights violations, and the way to do that is to freeze spending at last year's spending level. We are not even asking to cut it. Just freeze it at last year's level and do not give them an $8.3 million increase.

The people over there every night go to bed in fear for their lives, not knowing if they are going to be dragged out in the middle of the night to be tortured or killed or raped. It is time to at least give them some solace by letting them know that the Congress of the United States does care about human rights and does care about what is going on in that part of the world.

I do not care if human rights violations take place in Africa, in India or anyplace else, we should be concerned and we should send a signal, and we should not be rewarding that kind of activity. So I would just like to say to my colleagues in closing, let us send a little signal tonight, a little small signal saying we do not tolerate this sort of action.

Mr. HASTINGS of Florida. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I know that my colleague from Indiana is extremely serious about the matter that he brings to the attention of the body this evening. I would only urge upon him when we discuss human rights around the world that we be mindful also of human rights violations within the confines of the United States.

I listened actively to the debate a moment ago about asking the Turks to apologize for atrocities that took place some years ago against Armenians and many Members will come to vote on that rollcall vote with this country never having apologized to black folk in this country for slavery in this country, and I am not talking about the gentleman from Indiana [Mr. BURTON]. I am talking about the country. We need to be very cautious when these elections are taking place like in Turkey and in India and we recognize the value of these countries for a variety of reasons.

Right here in our country, for example, there is no massive outcry in this body—there is among some Members—about church burnings that are taking place in the South at black churches. So let us get a little careful before we throw stones.

I rise in opposition, Mr. Chairman, to my good friend DAN BURTON's amendment. This marks the third year that the gentleman from Indiana [Mr. BURTON] will submit an amendment that singles out India for punitive treatment. Ironically he was on the floor a moment ago arguing about others singling out treatment for Turkey. It sounds to me like a whole lot of political pandering is going on in this body. These alleged claims of India's human rights violations, despite the fact that the State Department has praised India for its progress in this area, have always been based on outdated and mistaken information. Yet this year these attacks will be especially damaging to United States-India relations in light of India's recent economic reforms.

Present the United States is India's largest trading partner with investments reaching $5 billion this year. United States firms such as General Motors, McDonnell Douglas, GE, AT&T, Boeing, and Citicorp, major investors in India, are taking advantage of its strong intellectual property rights laws and highly skilled work force, many of whom are in the United States of America. The Enron Oil & Gas Co., which I received, as did a lot of Members, a letter from dated June 3, has three plants throughout India which together make Enron the largest non-Indian energy developer in India. Such investments are currently possible as India is taking increasing steps away from a command and control economy. Yet DAN BURTON's amendment would send the wrong signals to India, discouraging it from continuing with these reforms and improving its economic ties with these United States companies.

My good friend's amendment also ignores that India is not only the world's largest democracy but has just completed the world's largest free and popular election ever. Our foreign policy should be aimed at encouraging democracy rather than punishing it with unjust punitive measures, and I caution my friends with reference to the Turkish matter that they be mindful of elections and the results there as well.

Finally, my good friend's attacks on India's human rights record is not consistent with its ongoing improvements in this area. An independent human rights commission found the Indian Government to be cooperative and consistently complying with the proposals and reforms of its human rights commission.

India, the world's largest democracy, is currently taking tremendous strides to open its economy and improve its relations with the United States. I believe that your amendment caps development assistance but it does nothing but damage these relations by sending the wrong signals to India's Government as well as hurting our own American companies that are already working to make future projects possible in a truly promising market.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS of Florida. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. First of all Mr. Chairman, let me thank my colleague for yielding. I would like to say that there is money to be made in India. I will not discount that fact. There is a lot of American companies who want to go over there and are over there making money and they are very concerned because they have an ax to grind. But the fact remains that human rights atrocities are taking place in Punjab, Kashmir, Nagaland, and elsewhere. When we were talking about Turkey just a few short minutes ago, we were talking about something that may or may not have occurred. There is a big divergence of opinion among historians in Turkey.

The CHAIRMAN. The time of the gentleman from Florida [Mr. HASTINGS] has expired.

(By unanimous consent, Mr. HASTINGS of Florida was allowed to proceed for 1 additional minute.)

Mr. HASTINGS of Florida. Mr. Chairman, I continue to yield to the gentleman from Indiana.

Mr. BURTON of Indiana. If I might conclude, my concern is these human rights violations do occur. All I want to do tonight is send a signal to the Indian government that we do not approve and that there ought to be some change in policy. It is not punitive from the standpoint that we are penalizing them because we are not cutting the aid they got last year by one dime. We are only not allowing them to get an increase.

Mr. HASTINGS of Florida. Reclaiming my time, I just suggest not only as pertains to India but elsewhere around the world, and I do not accuse the gentleman from Indiana of being arrogant, but very often we start because of our parochial or personal political considerations to point fingers at others. We would almost be in a position of not being able to do any business anywhere in the world if we were to just identify human rights violations as the only link that we must have considered before we do business.

We are getting ready to do MFN China, we do business with Russia, we do business all over this world. With Nigeria we have on one decertification

link; Pakistan, we do not on another and I have not even reached South America. I could go on and on.

Mr. MCCOLLUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have been involved in working with India for the past, oh, 7, 8, or 9 years now and the beginning of that relationship was because of the great work that was being done there as well as here in trying to combat the rising tide of international terrorism. But in that process, I have learned a lot about India and I have watched the development of a relationship between the United States and India which has changed and grown and become far greater in terms of the strength and importance to the United States not only as a trading partner with India but also from a strategic and national security standpoint.

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I regret to say that the proposal of the gentleman from Indiana tonight would do a great deal to undermine this growing relationship that I believe would be detrimental to not only our trading partner interest but our national security interest. We are seeing today that we have had since 1991 joint military exercises with India. They have a 4,000-mile border with China. China is a very unknown quantity for us in the future.

As our relationship with this great emerging democracy of India has grown and is growing, we need to be secure in knowing that we will have a long-standing and firm relationship in the Near East with a democracy that will be there and be our ally for a long time into the future.

I can describe any number of atrocities that I know have occurred in lots of places in the world, and I do not deny for a minute that we have had some human rights violations in the past in India. But to the best of my knowledge, in doing the research and trying to keep up with this, the Government of India, both past and certainly the new one coming in, which has had nothing to do with that in the past, the one that was just elected recently, but the government that was in charge for quite a number of years has taken great strides to eliminate those violations.

My judgment and observations are that those strides have been very effective. Now to say that every single violation in every place has been eliminated, I could not stand here tonight and tell you that. But I can say that they made great progress. It would be insulting and improper and not a good thing for us to do to go back and slap them in the face.

This same type of proposal was offered by the gentleman from Indiana [Mr. BURTON], slightly a variation on the terms, for several Congresses, in an effort to criticize and to rebuke India for these perceived violations which are old hat by now.

Yes, we are dealing with the facts of today's world, and I can tell you, looking at the terrorism issue, for example, that there are tremendous problems that exist out in the world in this regard. We have a rising, growing movement of a messianic totalitarian world out there in the Muslim area. We are seeing in Iran and Sudan a grave movement of governments that are going to promote this, to try to take control of their way of looking at things throughout southern Europe, northern Africa, the Middle East, the Near East, all the way to the Philippines. That is a movement that is very strong right now. Most Muslims do not believe in it, but there is a radical group that wants to have those governments.

India has the second largest Muslim population in the world. The same terrorists that have come here to bomb the World Trade Center do not like the life in the United States. They see us as getting in their way. They want to move us out. They want to control all those governments, including ultimately the government of India.

We share a lot of bonds in trying to combat that terrorism, among other things. We share growing bonds of concern over China and perhaps an axis someday, depending upon the results of the elections in Russia, between China and Russia and the threats that come from the destabilization that is going on out there of nuclear controls after the fall of the Berlin Wall and the breakup of the Soviet Union.

What I am saying in short is that between the tremendously new relationship that was described by my colleague from Florida on the trading front with all of the investment of the United States in India and all the Indian trade investments here that have grown over the last 5 or 6 years from a mere $500 million to over $5 billion, we also have in addition to that concern with this Burton amendment the disruption of a growing relationship on the national security front with the country of India. It is something that I just do not think we should risk with this type of an amendment.

There are ways to protest, and we should protest human rights violations anywhere in the world. But I do not think that this is the appropriate place tonight to do it, with all due respect to the gentleman from Indiana, with this amendment. I would strongly urge my colleagues to vote no on the Burton amendment.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. MCCOLLUM. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Let me say in its report Dead Silence, the Legacy of Abuses in Punjab, Asia Watch said that over the last 5 years there were between 4,000 and 5,000 people that were tortured in one police station alone, according to a police official there. This is in one police station alone in the last 4 to 5 years in Punjab. We are not even talking about Kashmir.

Let me just say one more thing, if I might, if the gentleman will yield.

The CHAIRMAN. The time of the gentleman from Florida [Mr. MCCOLLUM] has expired.

(By unanimous consent, Mr. MCCOLLUM was allowed to proceed for 1 additional minute.)

Mr. MCCOLLUM. Mr. Chairman, I yield to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. The inadvertent depiction, I hope, that Muslims in America are out to overthrow our government, at least that is the way I interpreted it.

Mr. MCCOLLUM. Reclaiming my time, I did not say that Muslims in America were out to overthrow our government. I said there is a messianic totalitarian movement in Iran and Sudan that would spread across the world, if it could, and like to capture the control of governments, that India is an important link to stopping that terrorism threat.

I would like to say to the gentleman that Asia Watch has not been accurate about a lot of this in the past. I do not believe they are accurate today about the human rights violations. I would cite that the American Conservative Union, no less, has a paper out today that I have in mind that says we should not be adopting your amendment, that things have changed with India, that we ought to look at the national and international strategic alliance that India's new vibrant democracy provides to us.

While, yes, we do not want to put our heads in the sand about violations of human rights, we have to look out about America's national security interests first. We have to look at reality, which is India is emerging from the past. It is doing a good job now.

We should defeat the Burton amendment.

The CHAIRMAN. The time of the gentleman from Florida [Mr. MCCOLLUM] has again expired.

(By unanimous consent, Mr. MCCOLLUM was allowed to proceed for 1 additional minute.)

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. MCCOLLUM. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I just want to say to my colleague that I have been to a lot of meetings with Christians and Muslims around this country. The Muslims are very sensitive because they feel like they are being depicted as terrorists. Probably 97, 98, 99 percent of them are very patriotic Americans and law abiding. I think it is real important that we in the Congress of the United States bear that in mind when we are debating issues of this magnitude.

Mr. MCCOLLUM. Mr. Chairman, reclaiming my time, I would concur with the gentleman completely, and I agree. I do not make speeches anywhere where I do not say something similar to what he said. But that does not take

away from the fact that there is a messianic totalitarian movement of a minority of Muslims to control all Muslim governments in the world, and they are terrorists by nature in how they operate.

They are involved in India. They are involved in wanting to thwart the United States interest in that part of the world, and they are involved in things like bombing the World Trade Center. We have that plus the relationships that I have described with India that we need to keep and maintain. The idea of going in and slapping India's face with this amendment tonight in the face of the need for the new relationships with India is wrong. I urge a vote against the Burton amendment.

Mr. PALLONE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Indiana. This amendment is not a cutting amendment, rather, it is strictly an attempt to stigmatize India and I think the gentleman from Indiana has essentially said as much. This amendment will unfairly tie the hands of those agencies, including nongovernmental organizations, religious relief efforts, and AID receive U.S. Government assistance. This is the wrong amendment at the wrong time.

Recently the Congressional Caucus on India and Indian-Americans, which I cochair with the gentleman from Florida [Mr. MCCOLLUM], hosted a briefing presented by Linda Morse, the India program director from United States AID. Miss Morse also briefed staff of the Asia and Pacific Subcommittee. What we learned was that the AID program in India supports economic growth, child survival, and environmental protection.

At a time when India is 5 years into a economic reform program, the AID program in India is helping with privatization, deregulation, increased foreign investment, and development of capital markets and encouraging competition.

In the past, the gentleman from Indiana has criticized India on human rights and he does so again tonight. Let me report that India's human rights record is steadily improving. An independent National Human Rights Commission with unprecedented powers has been established. The commission has been lauded by many international agencies, including our State Department, for its aggressiveness and independence.

Again last year, the chairman of the Human Rights Commission, a former chief justice of India's Supreme Court, came to Capitol Hill, again under the auspices of the India Caucus and addressed Members and staff. I only wish the gentleman from Indiana had been there to hear about the great progress and what was said. This is the kind of development we would like to see happen in many of India's Asian neighbors.

The Indian Human Rights Commission has won praise by our State Department. Assistant Secretary of State Robin Raphel says the commission ''has surprised the skeptics and begun to establish itself as an effective advocate for human rights.''

During his visit to the United States last year, Mr. Misra, the chairman of India's National Human Rights Commission, met with representatives of Asia Watch, Amnesty International and the International Red Cross. He indicated that there will be progress on these organizations sending representatives to India. Clearly the steps taken by India to remedy human rights problems are far superior to the efforts of India's neighbors; I particularly mention Pakistan and China.

Whether it is market reforms, democracy or human rights, time and again, it is India that is taking the lead in providing a model for other developing countries in Asia and throughout the world.

What I find most disturbing about this amendment is that it set its sights on the wrong target. Under the guise of sending a message to the government of India, the amendment frustrates our ability to work with the Indian people to aid the poorest and neediest people in that country, and to make important economic reforms.

An amendment offered in the name of human rights should not go after the humanitarian programs. This is not the right way to make America's moral persuasion felt around the world.

Mr. Chairman, I am also concerned that the debate over human rights in India, and specifically in Punjab and Kashmir, seems to focus entirely on one side of the issue. I do not want to get into a debate over which side did what, or who struck first or why. The important distinction is that the Indian Government is being held accountable for actions by its security forces while the separatist groups operate with no accountability at all. By cloaking themselves in the mantle of freedom fighters, these organizations reserve unto themselves the right to strike at civilian targets with impunity.

Many of the militant organizations receive support, both moral and financial as well as arms, from other nations. Most importantly, Pakistan has frequently had links to terrorist organizations in India in a direct attempt to destabilize its neighbor.

Under these conditions, imposing punishment on the Government of India will have the unmistakable effect of encouraging and emboldening those groups which seek by violent means to pursue their separatist agendas. This is the type of behavior we are going to be rewarding with this amendment.

Mr. Chairman, this amendment has nothing to do with what is really going on in India today, in 1996. We should reject this amendment. If it is necessary to make spending cuts and restructure AID, so be it. But let us base it on fair criteria, not unfairly singling out India for a symbolic slap on the wrist that this emerging country clearly does not deserve.

Mr. GILMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I reluctantly rise in opposition to the Burton amendment. I agree with my good friend from Indiana that India has a very serious human rights problem in Kashmir and the Punjab. Amnesty International and Asia Watch have well-documented proof of torture, rape, and executions by Indian security forces.

But we should not forget that these same human rights organizations also denounce the Muslim terrorists who receive crucial support from elements of the Pakistani Government.

There are no excuses for India's security forces' serious misbehavior. But we must not lose sight of the context of which it is taking place. For the first time in India's history it shares a border with Communist China due to Beijing's illegal and violent occupation of Tibet. For this reason China fuels the fire between India and Pakistan by transferring nuclear weapons production technology and nuclear capable missiles to Pakistan.

India and Kashmir are between a rock and a hard place. The situation is more complicated than what meets the eye. And while the security forces must be stopped from committing its outrageous and inexcusable abuses, we need to find another way to help end the suffering in Kashmir and the Punjab.

Accordingly, I reluctantly oppose my good friend's amendment.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I appreciate the way the gentleman has presented his arguments. I would just like to ask one question rhetorically and that is this: If you lived in a neighborhood and you were a Muslim in Kashmir and they held you at gunpoint in your home and a bunch of soldiers took your wives down the street, out in the streets and gang raped them, do you think you would want to rebel and fight back?

Mr. GILMAN. Mr. Chairman, I certainly do, and that is why I criticized the Indian security forces for its abuses.

Mrs. CLAYTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to strongly urge a vote against any amendment that may be offered to freeze, cut, cap, or condition foreign assistance to India and particularly the amendment currently before the House.

The Burton amendment, if it passes, will do damage to the growing economic and diplomatic relationship between the United States, the world's oldest democracy and India, the world's largest democracy.

While the loss of even one precious life should always be a cause for our

concern, the human rights violations that have been alleged concerning India are greatly overstated.

A 1995 human rights report by the State Department sharply contradicts many of the claims that are being made, particularly those claims about loss of life.

That same 1995 report, moreover, also forcefully praised India for establishing an independent Human Rights Commission under the direction of a former Supreme Court Justice. To date, the Commission has prosecuted more than 200 human rights violations, convicting and imprisoning those security personnel found to be guilty of abuse.

The relationship between the United States and India is growing stronger every day. The United States is now India's largest trading partner and largest investor. United States investment in India has grown by 500 percent in the past 5 years, from $500 million in 1991 to $5 billion this year. American companies, such as GE, Boeing, AT&T, Merrill Lynch, Motorola, and Amoco, are finding the Indian marketplace as large and as vibrant as the marketplace of China.

Unlike China, however, India is a democracy, with the world's largest middle class, an active free press, enforceable property rights, and a common-law legal system.

We should not retard the progress we have made with India during the past 5 years by passing the Burton amendment. There are elements in India who welcome the Burton amendment, elements who would turn back the clock of progress that has been made between our Nation and India. We must not play into their hands.

I strongly urge you to vote no on any amendment that may be offered against India during consideration of the foreign operations bill.

Vote ''no'' on the Burton amendment.

□ 2030

Mr. KNOLLENBERG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to express opposition to the amendment offered by my good friend, the gentleman from Indiana [Mr. BURTON]. The biggest concern I have is this amendment will ostracize India at a very critical point in time.

India is moving forward, as others have said, on important economic reform programs, making it one of the most important big emerging markets. The United States is working to build a stronger relationship with India, and we are now India's largest overseas investor and trading partner.

These steps have come about very strongly in the last 4 or 5 years. These steps help to bring India closer to the United States. This amendment, I believe, is needless and damaging to this progress that is being made to the relationship between the United States and India.

India is a developing country, and it does have problems and the gentleman has alluded to those, as have others. But India is working to solve those problems. The Indian Government has taken important steps to end any abuse of human rights within its borders. It has, as others have mentioned, established an independent national human rights commission to investigate and prevent human rights abuse cases, as the gentleman from New Jersey [Mr. PALLONE] stated a moment ago.

Assistant Secretary of State Robin Raphel has said the Commission, and I will not repeat it entirely, but it has surprised the skeptics in a very, very strong way and has begun to establish itself as an effective advocate for human rights.

India is bringing greater accountability to all government forces. And the Indian Government is allowing access for international efforts to monitor its progress. The U.N. High Commissioner for Human Rights has praised the advances India has made on human rights.

I firmly believe that passing this amendment will risk jeopardizing our close ties with India. Damaging our relationship with India will weaken our ability to use the persuasion and cooperation that we have to help India move toward full democracy and development, and we can best encourage the resolution of the problems that face India by remaining involved, and this is one of those ways of remaining involved.

This amendment will punish India for making significant efforts to correct its problems. This amendment will lead us to shutting ourselves out of involvement with the India Government and hinder our efforts to help create a prosperous and free country.

Again, Mr. Chairman, I urge my colleagues to oppose this amendment.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. KNOLLENBERG. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, briefly, the gentleman just said that U.N. Human Rights Commission said they were making real progress. I want to read to him one paragraph from the Washington Post on May 19, less than a month ago. They said Human Rights Watch Asia said State-sponsored militias are committing grave human rights abuses, including summary executions, torture, and illegal detention in the only Muslim majority state in mostly Hindu India. This is less than 1 month ago.

And if I might say one more thing briefly, and that is this. Does the gentleman really think not giving them an additional $8.3 million is going to hurt our economic ties with them?

Mr. KNOLLENBERG. Mr. Chairman, reclaiming my time, I would say to the gentleman that we have been through that already this evening a number of times. I do not stand for that. I know the gentleman does not stand for that. Nobody stands for those kinds of things.

The fact of the matter is we have something ongoing with India that can improve those situations. By slamming the door on India, we do not help that situation.

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

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

Mr. BERMAN. Mr. Chairman, I thank the gentleman for yielding, and I want to commend him on his statement. I want to focus on two aspects of it.

One, the world's largest democracy just had an election. In the Punjab, the source of tremendous strife, the source of terrorism, the source of massive state reaction to that terrorism, they have an election, a free election, where the Congress Party, the government in power during much of the strife, was thrown out of power, where a Sikh Coalition Alliance won almost all the seats in that province and it will now represent the State of Punjab in the Federal Parliament.

It is the best example of the process of moving away from this kind of terror toward democratic participation. To come in now and cut the aid, not that goes to the Indian Government, but that goes to private voluntary organizations that are helping the poorest of the poor, and we are talking about 600 million poor people, malnourished, a terrible situation where they still manage to participate in a democratic process, to now take this niche out of the aid going to these people to me makes no sense, does not accomplish America's purposes, does not serve the people we try to help with foreign assistance, and I want to commend the gentleman for his statement.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. KNOLLENBERG] has expired.

(On request of Mr. BURTON of Indiana, and by unanimous consent, Mr. KNOLLENBERG was allowed to proceed for 1 additional minute.)

Mr. KNOLLENBERG. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, let me say this. This is an article that is less than 1 month old. The gentleman talked about the free elections. On May 24, this is a report here in the Washington Newspapers, armed troops, armed troops herded Kashmirians to the polls yesterday for the rebellious state's first elections in 7 years, forcing Kashmirians to participate in an Indian Government election they wanted no part of.

So they literally forced them to vote.

Mr. BERMAN. Mr. Chairman will the gentleman yield?

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

Mr. BERMAN. Mr. Chairman, my comments were directed to what happened in the State of Punjab, which is the area of India which the gentleman addressed his initial comments to when he spoke. There is no doubt the Indian Elections Commission has affirmed that there was coercion and intimidation in the vote in Kashmir.

We can spend the next 2 hours talking about the miserable problems in Kashmir, the terrorism, the state militias that are wreaking havoc there, but let me tell the gentleman one interesting thing about the election in Kashmir.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. KNOLLENBERG] has again expired.

(On request of Mr. BERMAN and by unanimous consent, Mr. KNOLLENBERG was allowed to proceed for 1 additional minute.)

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

Mr. BERMAN. Mr. Chairman, there was a 90-percent turnout in Jammu in the Hindu areas, and a 40-percent turnout in the rural areas of Kashmir. In Srinigar, which is the center of much of the strife, there was only 10 percent voting.

As I said, the gentleman is correct, there was intimidation and force. But what was interesting is, when they went to the ballots, where there were secret ballots, no doubt about that, only 7 percent of the people who voted cast blank ballots or scribbled on them. The rest participated. Some of those people wanted to be able to go to the polls and were afraid what would happen if they went voluntarily.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. KNOLLENBERG] has again expired.

(On request of Mr. BURTON of Indiana, and by unanimous consent, Mr. KNOLLENBERG was allowed to proceed for 1 additional minute.)

Mr. KNOLLENBERG. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, if there is a gun pointed at an individual's back taking that person to the polls, and that person goes in and votes, they are not going to turn in a blank ballot. The gentleman knows that and I know that.

When we talk about Punjab and Kashmir, we are talking about two areas that are very similar in many respects and not so similar in others, except in one respect, and that is there is torture and human rights violations going on by 1.1 million Indian troops, and that is the problem.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I used to serve in the State legislature many years ago with a man by the name of Harvey Dueholm. He was a Danish farmer. He looked like a basset hound. He had the strongest character of any human being I have ever known, and he had a lot of observations about life. And one of the things he said once is, he said, ''Did you ever notice that the poor and the rich get the same amount of ice, but the poor get theirs in the wintertime?''

I think that really will be the result of the adoption of this amendment. I think India has a serious human rights problem, and I think we need to hold them to task on it at every opportunity.

I greatly respect the legitimate concerns expressed by the gentleman from Indiana [Mr. BURTON]. I know he is sincere. But I just have to say that when we pick up a gun, it is nice, if we are hunting a rabbit, that we hit the right target. It does not help if we are trying to reform the conduct of the government that we wind up hurting the folks who are doing the most to try to change some of the nastiest aspects of any society. That is what I think this amendment would do.

I am also struck, frankly, by the fact that in this part of the world there are only two or three major players. India is a major player and China is a major player. I have to tell my colleagues that I am a whole lot more frustrated right now by the conduct of China than I am India, with all of the failings that they have demonstrated.

I wonder how many people will vote for this amendment tonight and then, when Most Favored Nation status is brought up for China, will then turn and vote to grant China most-favored-nation status, in spite of the fact that they employ slave labor, in spite of the fact that a large number of American workers have seen their jobs put at risk because of products produced by that slave labor that then wind up in this country. It just seems to me that that would be a quaint double standard.

So I would suggest that we remember that if we are going to try to change conduct, that we focus on actions which will, in fact, have that effect and not the opposite effect. I think the amendment being offered tonight will have the opposite of that which is intended, and that is why, while I do not think that in terms of a United States-India relationship $8 or $9 or $10 million one way or another is going to make that big an impact, I do think that the mindset that it demonstrates is not one which is easily explainable.

I would, therefore, urge that we oppose the amendment, and I would urge that we support the gentleman from Alabama in his resistance to the amendment.

Mr. LINDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to urge my colleagues to oppose my friend from Indiana's amendment. I am convinced that most of what should be said has already been said tonight. I am worried that the adoption of this amendment would play into the hands of elements in India who would like to turn back the clock on the economic improvements and reforms that have led to our improving relationships and also turn back the hands on an improving human rights record.

Nobody is here to defend the human rights record of the State of India forever, but we must admit, even as our State Department has, the human rights report that substantial progress has been made in the area of human rights. India has an Independent Human Rights Commission, which is headed by a former justice of the Indian Supreme Court. Last year it prosecuted more than 200 human rights violations. The State Department has applauded this commission's independence and aggressiveness.

There are human rights abuses across this globe, including on behalf of some of India's most close neighbors. None of that can be defended, but we should not be punitive. We should not single out a nation to try to make a political point here. There is no question that improvements must be made, but India, the largest democracy in the world, has done more than any other nation in that part of the globe to bring in disparate ethnic groups and include them in the electoral process, give them opportunities to be heard, such as we just heard from the gentleman from California [Mr. BERMAN], about the Punjab, to be heard not only publicly but with the vote.

□ 2045

No nation in that part of the world has done as much as India has done to include ethnic diversity in their political processes. They should not be punished for trying to do well. They should be criticized for not doing well enough yet, but they are doing far better than some of their neighbors.

I would urge Members to defeat the amendment offered by the gentleman from Indiana.

Mr. HINCHEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there is no doubt that there are human rights problems in India, that one would deny that, but that is true of many countries around the world. In fact, anyone who travels around the world or even reads the newspapers knows that in virtually any country you can find examples of human rights violations. We ought not to overlook them. We ought to be doing everything we can to have them corrected by those countries in which they are occurring. And I think that that is precisely what is being done in the case of India.

I think that this country is trying to deal with some very difficult and very complex problems. After all, it is a young country. It has been in existence for less than 50 years. It comes out of a colonial background, but it is a country with which we have much in common. Obviously, there is the commonality of language. We have the English language in common.

We also have the commonality of governance. We are two democracies. We have much in common with this country, and we need to encourage the creation and development of democratic principles in India, where, in fact, in comparison to many other countries around the world, they are flourishing.

To cut this aid at this particular time flies in the face of all of that effort. It would make it more difficult

for India to achieve the full democratization of its institutions, and it would also, in fact, not lessen human rights violations in that country but, in fact, it would in all likelihood make them worse. So while I very much respect our friend and colleague from Indiana and respect what he is doing and respect the motivation which gives birth to this amendment, nevertheless, I find myself in strong disagreement with it, because I think from his point of view as well as from the point of view of most Americans as well as from the point of view of India and most Indians, it would be counterproductive. It would, in fact, not reduce human rights violations but it would, in fact, increase them.

This is a huge country, a country of 900 million people, almost a billion people. It will, sometime in the next century, supplant China as the most populous country in the world. They need the help of other countries, particularly democratic countries with which they share common beliefs and common principles and common traditions. That is true of our relationship with India, and we ought to continue to assist them in whatever way we possibly can, particularly with this form of aid.

While I very much appreciate the motivation of my friend and colleague from Indiana, I must reluctantly say that it would accomplish the wrong thing. Therefore, I am in opposition to it.

Mr. ROSE. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from North Carolina.

Mr. ROSE. Mr. Chairman, I want to compliment the gentleman on his fine statement. The words that have been said by the chairman and ranking member of this committee are the advice that we should follow tonight. Let us not kick our old friend India at this very crucial point in the transition of its government. India is our friend. They have been our friend for a long time and are becoming even closer to America as time progresses.

It is important that we heed the advice of the gentleman from New York [Mr. GILMAN], chairman of the authorizing committee. India has stood with us and is a bulwark against even China today, as China encourages and helps Pakistan with nuclear weapons and ring magnets and other things that we know it should not be trading. India is trying to open itself up to outside investment. I know there have been human rights problems in that Punjab area. We all need to counsel our friends in India because of that, but this House basically is a friend of India. Let us not blemish that record here tonight by kicking this country in the teeth with even a symbolic diminution of the small aid that we have given.

Mr. HINCHEY. Mr. Chairman, I thank the gentleman for his sensitive and sensible words.

Mr. Chairman, I yield to the gentleman from New Jersey [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman, I thank the gentleman for yielding. I rise in strong opposition to the amendment offered by my friend from Indiana.

I rise in opposition because there are very few things we can be certain about in this world, but there are some things we can be certain about. The first is that Asia will be an incredibly important area of the world for our country for years to come, and there is no credible Asia strategy for America that does not include a strong relationship with India, potentially as a counterbalance to the People's Republic of China but for the relationship in and of itself.

The CHAIRMAN. The time of the gentleman from New York [Mr. HINCHEY] has expired.

(On request of Mr. BROWN of Ohio, and by unanimous consent, Mr. HINCHEY was allowed to proceed for 1 additional minute.)

Mr. HINCHEY. I yield to the gentleman from New Jersey.

Mr. ANDREWS. Mr. Chairman, the second argument is that there is no scenario for the future of our economy that does not include increased global trade, and there is no trade strategy that does not focus upon enhanced trade with India.

Another thing we can be sure of is the fact that people all over the world are watching what we do here. They watched as 1 in 10 citizens of the world voted in a free and fair election in India. If we reward that desirable conduct with this undesirable amendment, we will be abandoning our own principles. For these reasons and others, I would strongly urge a vote in opposition to the Burton amendment.

Mr. MICA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I often agree with the gentleman from Indiana. In fact, we have worked together many times to cut waste, fraud, and abuse from Federal Government programs.

We work on the Committee on Government Reform and Oversight. In fact, when we work together and we slay dragons together, the dragons usually have a bad day. But I rise tonight really in opposition to the good gentleman's amendment and it is with some hesitation. I respect his opinion.

Mr. Chairman, no one supports human rights violations in India or in any other country. Unfortunately, human rights violations occur there, they occur in the United States. And they occur in numerous other nations.

In fact, I brought with me tonight, and some of my colleagues have seen it referred to, this 1996 report by Amnesty International. It details dozens of countries that have been recipients of the United States foreign assistance and their violations.

Let me read a few of these. Egypt, one of the top recipients, just a few of the violations: Detention of thousands of political opponents, systematic use of torture against political detainees, increased number of political detainees who died while in custody, deliberate and arbitrary killings by armed opposition groups.

Let me read just a couple more, if I may, here.

Saudi Arabia, another huge recipient: Arrest and detention of suspected political opponents, torture and ill treatment during pretrial detention, alarming upsurge in numbers of executions, wide use of judicial punishments by flogging and amputations.

Then we go to Bolivia, which we support assistance to and we are going to be working for: Arbitrary detentions, torture and ill treatment, rape, the same types of offenses, extrajudicial executions. The list goes on.

Mr. Chairman, I say to my colleagues, why should we single out India in this fashion? This amendment will, in fact, hurt our ability to assist a close ally, to assist in the situation that we have a problem in. It will hurt us with a great trading partner.

Mr. Chairman, my colleagues, we can do much more, I submit, by calling attention to human rights violations whether they are in India or anywhere else in the world.

If we recognize differences, if we promote democratic institutions, if we increase trade, exchanges, communications, tonight we do not need to embarrass by singling out the world's largest democracy in this fashion. We must recognize the strides India has taken. We must help India now as it changes its government in this most historic election and this most historic fashion that we have seen the election take place the last few weeks.

Let us tonight not take a step backward in our relationship with India. I admire the gentleman's interest. I opposed his potentially damaging amendment. As India steps forward, we do not need to be a Congress stepping backward.

Mr. STEARNS. Mr. Chairman, will the gentleman yield?

Mr. MICA. I yield to the gentleman from Florida.

Mr. STEARNS. Mr. Chairman, I thank the gentleman for yielding to me. I have about a minute left.

I rise in opposition to the Burton amendment. I have to say tonight that there are a lot of people that have come on the floor to speak against it. So I think this is the third time the gentleman has offered it. Certainly, I think the feeling is that this amendment certainly would not be appropriate after they have had their largest election in world history in which about half a billion people have voted.

I think most people would regard the election as universally free and fair. And I think, as William Safire of the New York Times put it: ''It is the most breathtaking example of government by the people in the history of the world.''

Every year I offer a resolution, a House Resolution to recognize India's national independence. This is the 49th

year. I think now is not the time to pass a personal affront to this country when they have been so successful a democracy. I urge the defeat of the amendment.

Mr. MICA. Mr. Chairman, I yield to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, my colleague mentioned that there were a number of countries that had human rights violations that were getting our aid. I would like to say to my colleague, I have no objection whatsoever to him or any Member of this body proposing a cut in aid to any country that violates human rights, that violates women's rights, that gang rapes women and tortures people and throws them into rivers with their hands bound, and gagged. I think that those kinds of countries should be penalized. We should hold them up to public scrutiny throughout the world.

When we talk about Egypt torturing people, I will support the gentleman's amendment if he wants to cut some of their aid.

Mr. MICA. Mr. Chairman, I agree with the gentleman.

Mr. ACKERMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, with this strong array of Members coming to the floor to oppose Mr. BURTON's amendment, I have been trying to figure out what this is really all about. I think it was said during the opening minutes of this discussion by Mr. BURTON himself, I think those Members who are interested in cutting aid of any kind have to listen to what Mr. BURTON said.

This is not about cutting aid, because no money is saved here. Not one dollar, not one penny, not one rupee is saved. What this does is it just limits the amount of money India can take out of an existing pot.

We are all against human rights abuses, Mr. Chairman. We are all offended by the kind of things that we see in the pictures that Mr. BURTON has brought before us. But I have to tell Members, when he says things or anybody says things over and over and over again, that does not make it so; and it does not necessarily make it true.

We were all horrified by that picture that was up on the easel. Mr. Chairman, looking at the speaker, looking at the picture and hearing the words that this is the abuse that is taking place in India today right at this minute, that is the same picture we saw last year when we heard the same story. I have seen that same picture, 3 years in a row. I have even seen pictures that Members from the other side bring me that Members, say, the other terrorist did this and this is one of our guys. Three years in a row that guy died. Unless he is triplets, I am not sure what is guy died.

I do not mean to make light about violations of human rights. But to say that this is going on and sponsored by the Government of India is not necessarily what is happening, Mr. Chairman.

□ 2100

This amendment, which is not a cutting amendment, admittedly, by the gentleman from Indiana [Mr. BURTON], is meant solely and strictly to stigmatize a sister democracy, and that is not what we should be doing. India, according to the human rights report that Mr. BURTON cited, and I will quote it, India, quote, ''has made significant progress in resolving human rights problems,'' end of quote. The Indian Government has responded to our initiative when we objected to one of the bills that they have, their Terrorist Destructive Activities Act. They no longer have that.

Contrary to what our colleagues heard, the Indian Government has reached agreement with the International Committee of the Red Cross to permit visits to Kashmir. I visited Kashmir; I visited Kashmir again. Many Members of this body were there. My colleagues heard that we were escorted and monitored by Indian troops. I visited with the very people who oppose the Indian Government, I had dinner in their homes, I met with their council, I met with every single opposition group in Kashmir. I was stuck there during a blizzard in January. I met with more people I had not intended to meet with, and not once in the presence of Indian troops, and not once was anybody restrained in what they had to say to me.

The insurgent violence in Punjab has largely disappeared, and there is visible progress in correcting the abusive practices by the police which has occurred. The National Human Rights Commission continues to play a useful role in addressing whatever patterns of abuse and specific abuses there might be. Last year the commission, which was not even referenced by the gentleman from Indiana [Mr. BURTON], prosecuted more than 200 cases.

Economic reforms: India has done everything that we have asked of her. Since 1991 the Indian Government has substantially reduced inflation. Their budget deficit has been reduced. They have privatized. They have cut subsidies to inefficient state owned industries. They made the rupee convertible.

In international trade they reduced tariffs and industrial licensing controls in order to attract foreign investment, and, as a result, United States investment in India, Americans investing over there as we do in all strong democracies, has gone from $500 million a year in 1991 to $5 billion this year alone. That is a thousand percent increase. That is the kind of confidence the American business people have in India and the reforms that are going on there. The United States is India's largest trading partner and largest investor.

The democracy issue is probably the most important issue of all. India is, as has been stated, the world's largest democracy. They have a free press, they have civilian control of the military, they have an independent judiciary, they have active political parties and civic associations. The election that we have just seen was really ho-hum. It did not take a lot of attention.

The CHAIRMAN. The time of the gentleman from New York [Mr. ACKERMAN] has expired.

(By unanimous consent, Mr. ACKERMAN was allowed to proceed for 1 additional minute.)

Mr. ACKERMAN. An election that did not gain that much attention because there were no very serious violent abuses during the entire electoral process. Over 400 million people going to the polls democratically, even turning out the controlling government 2 weeks ago. That is democracy in action. One out of every ten people on the planet going to vote; imagine that.

At a point where India is struggling to form a coalition government right now, this is a terrible message to send. There are only very, very few countries within the purview of this legislation that we look to cap in any way from the pot of money that is provided. Those countries include North Korea, the Sudan, Iran, Iraq, Libya, and Syria. Certainly not even the most ardent of India-bashers can come to the floor and seriously suggest that the world's largest democracy, and getting more democratic all the time, belongs with such a group.

This is an attempt to stigmatize and not an attempt to legislate.

Mr. BEREUTER. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. BEREUTER. Mr. Chairman, I rise in very strong opposition to the Burton amendment. I know that some members of the committee may think that the debate is going on for some time here, but I think it is important for the sponsor of the amendment, the American people, the Congress, to understand the depth of support for India, for improved American-Indian relations, for Indian democracy and for improvements in civil and human rights that are underway in India.

The Burton amendment should be opposed for many reasons. One important consideration is the fact that in April and May of 1996, as mentioned here, India conducted the largest democratic election in the history of the world. In a monumental undertaking of more than 640 million eligible voters, about 65 percent of whom took the time to vote, the Indian electorate chose a new parliament in elections that were widely judged to be free, fair, and largely peaceful.

Mr. Chairman, for the United States to respond to this remarkable accomplishment by the world's largest democracy by passing the Burton amendment will send to India and to the rest

of the world precisely the wrong signals about United States support for Indian democracy. This Burton amendment would prove to be the most expensive $8 million amendment ever approved. It is important that it be rejected overwhelmingly.

In addition, the new Indian Government is headed by Prime Minister H.D. Deve Gowda, the leader of the United Front, a coalition of center, center left, and regional parties. The leadership of this new government is at the very moment hammering out policies on a number of issues of great interest to the United States, including the fate of economic reform, India's nuclear program, its policies toward Pakistan, and other neighbors.

Although the proposed change is a small one in dollar terms, for Congress to single out India in this fashion at this time will, for symbolic reasons, have a very negative impact on United States-Indian relations that would be disproportionate to the amount of money involved. At a minimum, any cut in United States development assistance to India at this critical juncture, apart from a broad cut in the overall development assistance account, could severely damage the spirit of cooperation the United States should be establishing with the new Indian Government.

Although a number of parties which support the United Front government have a long tradition of left-leaning economic policies, Prime Minister Gowda has expressed strong support for the economic reforms begun under the government of former Prime Minister Rao. Early evidence of Prime Minister Gowda's intention have been the naming of a highly progressive U.S.-educated finance minister who is extremely supportive of the economic reforms begun in the 1990's as a commerce minister in the Rao government.

Current and ongoing United States development assistance provides important support for India's effort to open its economy to trade and investment. Included are programs that promote private sector involvement in energy production and distribution, United States-India commerce, technology joint ventures, programs to provide urban areas with badly needed infrastructure, and assistance for Indian enterprises attempting to restructure and become competitive.

Although India is beginning to push forward economically, it remains a very poor country with millions of people still well below the poverty line. In fact, half the world's poor people, very, very poor people, live in India today. The United States development assistance program focusing on family planning, preventive health care, and nutrition are very critical areas that support the Indian family.

Now, the number of political parties that comprise the United Front represent the millions of people who make up India's poorest of the poor groups, minorities, members of the lower caste, those that were once called the untouchables. A diminution, symbolic or otherwise, of U.S. development assistance that would benefit these groups would certainly send a wrong message to a part of the leadership of the new government.

There has been strong evidence that the Gowda government intends to hold talks with the leaders of the Kashmiri separatist movement to seek a peaceful and just solution to the Kashmir crisis. V.P. Singh, a major United Front leader and the former Indian Prime Minister, visited Kashmir during the election campaign. He has promised talks with the separatists as well as an offer of political, social, and economic peace package.

Prime Minister Gowda has promised to take steps to improve relations with Pakistan. On May 31, Gowda said quote: ''As far as Pakistan is concerned, I have an open mind. I will definitely take an initiative to diffuse the tension between the two countries,'' end of quote. The United States should do nothing to undercut the new Indian Government's efforts to initiate rapprochement with Pakistan by sending a negative message via cuts in development assistance.

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. BEREUTER] has expired.

(By unanimous consent, Mr. BEREUTER was allowed to proceed for 1 additional minute.)

Mr. BEREUTER. Mr. Chairman, as the chairman of the Subcommittee on Asia and the Pacific, I called our senior career ambassador to India today, Ambassador Frank Wisner. He said the Burton amendment would quote, ''send a very negative message,'' close quote, to a newly elected government in India, and as pointed out by the gentleman from California [Mr. BERMAN], democracy, it would seem very specifically supportive of the dissident forces in Punjab, has been vindicated, a step in the right direction.

The same is true of the direction of the vote in Kashmir. These are two very favorable signs for improving the situation there.

Finally, let me close by quoting briefly from a letter from the political director of the American Conservative Union. He says about the Burton amendment:

> It would be interpreted as a gratuitous slap, and could even contribute to undermining the fragile coalition government that just assumed power—possibly bringing to power a government dominated by the very people Mr. Burton professes to opposes.

I urge my colleagues to cast a strong, strong vote against the Burton amendment.

Mr. BROWN of Ohio. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to oppose the Burton amendment. It is the wrong amendment at the wrong time. The issue, Mr. Chairman, is that there has been, particularly over the last 5 years, there has been great progress in India. There has been progress in the area of human rights. Time and again we hear about the national human rights commission that the Indians have established, that they have actually prosecuted human rights violations, some 200 in India, that they have had it up to human rights commission with a former justice of the Indian supreme court, that our State Department has recognized progress in Indian human rights.

In the last 5 years India's economy has liberalized greatly; market reforms, free and open markets. It is a country that has welcomed American investment to the tune of $5 billion.

I have been to India, I have been to Bombay, and Delhi and Amritsar and seen the kind of progress they have made both in human rights by talking to people at the Golden Temple in Amritsar and talking to people, as my friend from New York, Mr. ACKERMAN said, that are opponents of the Indian Government, but nonetheless will say that, yes, in fact major human rights progress has been made. The same people who again are opposed to the present government in India as of 3 months ago, the Congress party, will again talk about the progress that has been made in economic liberalization.

There has also been major progress in India in the last 5 years in building a stable democracy, as has been pointed out on the floor over and over and over again. India just conducted the largest, the greatest election, the most wide-ranging election, the most participatory election in the history of humankind. Some 500 million people voted. That says to me again in the last 5 years India has made major progress.

The other area of great improvement in India the last 5 years is what India means to the United States. The gentleman from Wisconsin [Mr. OBEY] talked abut the major players in Asia or India in China. India is a much more reliable ally. India is a country that, as has been said repeatedly, is the largest democracy in the world. India is a country that we can rely on for strategic reasons for the United States. This is just putting the thumb in the eye of the Indian people and a thumb in the eye of the Indian Government by sending this message to India that, no, the United States does not appreciate the kind of progress that India has made in the last 5 years.

Again it is the second largest democracy—it is the largest democracy in the world; it is the second largest nation in the world. As the gentleman from Wisconsin [Mr. OBEY] said, it is very, very important strategically for us as a nation in South Asia and what that means to us. And India, again, is a democracy. We do not treat a democracy this way; we work with that country, we see the kind of progress that India has made in the area of human rights and the kind of progress India has made in their economy and the

kind of progress India has made as a democracy and the kind of progress India has made as a friend of the United States.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, I have been pretty silent during this debate, and reasonably neutral, but I must bring to my colleague's attention the fact that in New Delhi today they are building SU–34's, they are building MiG–29's, and they are building T–80's. They have, throughout the cold war, allied themselves in the Soviet Union. So I think it is a little bit of a stretch to call them an ally.

□ 2115

Mr. BROWN of Ohio. Taking back my time, Mr. Chairman, my friend, the gentleman from Texas [Mr. WILSON], brings up a good point. But that only proves my point that in the last 5 years India has made progress. The pro-Pakistani tilt at the State Department has begun to right itself. As we have seen as we have extended an arm to India and they have to us, they are becoming much more of an ally to us. They will become much more of an ally to us as we begin to treat them with respect and treat them as the kind of ally they should be.

Mr. WILSON. Mr. Chairman, I would say we have always treated them with respect. We should continue to treat them with respect. But they continue to be a military ally of Russia, and I would submit, although I am not sure how I am going to vote on this amendment, I would submit that if the Soviet Union should be born again, that India would again be closely allied because of their military alliances.

Mr. BROWN of Ohio. Taking back my time, Mr. Chairman, I absolutely reject that thinking, when India has become a more and more liberalized economy, an economy much more in line with ours, an economy which has welcomed $5 million in American investment, an economy in which, if we continue to sell arms to Pakistan, a whole other debate, then perhaps we might drive them a little more away.

But the last time I checked, the cold war was over. We need to make friends with these countries like India that were not necessarily our friends before. This is a golden opportunity to reach out to India and make friends with India. If we pass the balanced budget amendment, and the Soviet Union is reborn in some form, as the gentleman suggests, he can be sure India will turn back to them. Do not let this opportunity pass to be friends with them in a bigger way.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

Mr.Chairman, I rise in strong support of the Burton amendment to freeze the foreign aid levels we give to India to last year's levels, which is basically an $8 billion cut.

First of all, Mr. Chairman, let us make it really clear; India is not, N-O-T, not an old friend of the United States. The gentleman from Texas, CHARLIE WILSON, was absolutely correct, and I guess everybody else in this House has amnesia, but throughout the entire cold war India kicked us in the teeth every time they got a chance to do so. When we were down, they kicked us in the gut. When we turned around to protect ourselves, they kicked us in the back, and they accepted our money the whole time; and especially they wanted the money to come from the United Nations, from us to the United Nations, so they would not even have to show any gratitude to the United States for accepting all of our hundreds of millions of dollars of aid while they were kicking us in the teeth and supporting the Soviet Union's aggression in Afghanistan and elsewhere in the world.

Mr. Chairman, India receives more aid right now, $156 million, and votes against us more than any other country in the United Nations. That is 83 percent of the votes in the United Nations are against our position. That is their level of support against us, while getting $156 million in aid from us.

Indian should not even be getting any aid, much less just a simple little cut of $8 million. They take our aid, our hundreds of millions of dollars; and do Members know what they do with their own money? They are building nuclear weapons. That is what it is all about. We give them humanitarian aid so they do not have to spend their own money on their people, and then they spend it on nuclear weapons. Good deal, is it not?

Mr. Chairman, we are being Uncle Saps here if we are giving that type of country money from us so they can build nuclear weapons, and to intimidate their neighbors or whatever. But that is not the question tonight. We are not going to end all aid to India. We just want to send a little message, $8 million worth of message, cutting off aid by $8 million, to say ''Please clean up your human rights abuse in the Kashmir.''

Come on, folks, we can call these people terrorists in the Kashmir, but the real problem we all know is, and no one wants to say it, is that India has refused to hold an honest plebescite, as they were required to do by the United Nations, for the last 40 years. If the people of Kashmir had a right to vote on their own destiny, they would probably vote not to be part of India and there would be no conflict. There would be no excuse for 1 million Indian soldiers to be stationed up in northern India to repress those people who want nothing more than a right to vote as to whether to be a part of India or not, which is what the United Nations required them to do.

India has been condemned by Amnesty International, by Asia Watch, by people, honest people who are looking and trying to support human rights around the world. They have been condemned over and over and over again. The examples given by the gentleman form Indiana are only a few examples. These people are trying to fight for their rights in the Kashmir, and as a reaction, the Indians are saying ''we are not going to let them get away with it,'' so they are condoning monstrous human rights abuse against the people of Kashmir.

It can be stopped very easily. Let those people in the Kashmir determine their own destiny through the ballot box, rather than through bullets. That is the bottom line. If we do that, if we insist on that, if we send that message tonight with this little tiny cut of $8 million, I will tell the Members this much: The tensions on the subcontinent will subside. We will have done what is right, and in the long run it will create a more peaceful world because the people of Kashmir will have their right to vote and there will be no excuse for the violence that exists there today.

Mr. Chairman, I plead with all of the Members, come on, let us get beyond all of this rhetoric. Let us not talk about India as our old friend, or create some false images of how we have to help this developing country. Let us get down to the facts. Let us get down to we must stand for human rights there and elsewhere, because it furthers the cause of peace to do so. Let us send that message to India. Please, end the repression, give those people a right to vote on their own destiny, $8 million.

Instead, what we are going to do is send them a message that they can do anything they want to and they are going to get hundreds of millions of dollars of aid from the American taxpayers. That is not the message we should send.

The CHAIRMAN. The time of the gentleman from California [Mr. ROHRABACHER] has expired.

(On request of Mr. WILSON, and by unanimous consent, Mr. ROHRABACHER was allowed to proceed for 3 additional minutes.)

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, I just cannot let these things go without being spread on the record. As I say, Mr. Chairman, I do not have extremely strong feelings about this amendment, but some things must be said. I would ask the gentleman, who I know with great personal courage visited Afghanistan many times, but Afghanistan was a major, major, major, major conflict in the cold war. I would ask the gentleman if he remembers and agrees with me that in every instance, in every instance, India supported the Russian invasion of Afghanistan.

Mr. ROHRABACHER. Not only did they support the Russian invasion but during the war Indian pilots, we were told, were actually flying missions in

Afghanistan for the Communist-supported government.

Mr. WILSON. Would the gentleman remember that Najibullah was received with great honors as the head of state in India?

Mr. ROHRABACHER. That is correct.

Mr. WILSON. Mr. Chairman, again, I must repeat that as we speak tonight, SU–34s, MIG–29s, and T–80s are being built in New Delhi. Does that sound like an ally to the gentleman?

Mr. ROHRABACHER. Not only are they being built in New Delhi, but we are giving them $150 million in aid, so who is actually paying for that, indirectly?

Mr. WILSON. I thank the gentleman.

Mr. ROHRABACHER. Reclaiming my time, Mr. Chairman, I would just say this. The questions the gentleman from Indiana asked are very relevant questions. They are: ''What would you do if it was your wife that was gang raped? What would you do if it was your child that was murdered and dragged through the neighborhood as a symbol to the neighborhood not to resist the Indian authorities?''

Why that is relevant is because if we Americans were denied the right to choose our own destiny through a free election, if we were denied that right, we too would resist, and perhaps those people that we were resisting would use the same type of brutality and ugly repression that the people of Kashmir have had to suffer, and we, our families, would be the ones being dragged through the streets and the women raped in such a way. We cannot let this sit. Standing for freedom, standing for human rights, insisting that this $8 million be cut out as a message to India is not only right morally, but will help create a more peaceful world.

Mrs. MALONEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from Indiana appears to have a noble purpose—to focus the attention of the House on human rights abuses.

But despite his intentions, the amendment will do great harm to the very people it purports to help. And the timing of the amendment could not be worse.

Yes, India has had problems with human rights in the past. Yes, there are still incidents. But this nation—this democracy—has taken exceptionally strong steps forward.

India's Human Rights Commission, headed by the former Supreme Court Justice, has been hailed by the State Department for its ''significant progress in resolving human rights problems.''

Freezing developmental assistance would hurt the poorest of the poor in India. The amendment would directly undermine the stated objectives of India's newly elected Prime Minister to improve the living conditions of the country's poorest citizens.

And finally, this amendment would be an enormous blow to United States-Indian relations at the very moment when we should be strengthening ties between our two democracies.

India just completed a historic election. Nearly a tenth of the entire population of the globe went to the polls in what the New York Times' William Safire called ''the most breathtaking example of government by people in the history of the world.''

This momentous free and fair election must be rewarded. It must be held out as a shining example of how democracy can work. We must not pass a punitive anti-India amendment on the heels of this election.

United States-India relations are strong. American businesses are flourishing in India. Let's send the world's most populous democracy the right message. Let's vote for progress in India. Let's vote for democracy.

I ask my colleagues to oppose the Burton amendment.

Mr. DOOLITTLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened to much of the debate. I am amazed. The gentleman from Indiana [Mr. BURTON] is only seeking to freeze the aid we give India at this year's level. All he is saying is what we are giving them now is what we will give them next year, which means they are going to get $48 million in this particular category.

It is good that India has had a change of government. That is very recent. We ought to take at least a wait-and-see attitude, and give them a year to perform before we increase the aid, borrowing money which we do not have to give away to foreign countries which, like this one, have not been very loyal supporters of the United States. In fact, they have been charged with and have been found to have committed serious human rights abuses, including the extensive taking of innocent human life.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. DOOLITTLE. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I would like to just restate what my colleague has stated. That is that we are not cutting aid to India. We are going to give them the same amount of developmental aid we did last year. We are just not giving them an $8.3 million increase, and we are doing that to send them a message. A lot of my colleagues have just said this is going to be a cataclysmic experience if we do this. That does not make any sense. My colleagues know it.

The fact of the matter is that all we want to do is send a signal that the United States will not tolerate these human rights abuses. Some of my colleagues have talked about Libya and other terrorist states and the kinds of human rights abuses that are going on there. They are right, there are horrible human rights abuses. But we do not give them aid. Wherever we do give aid and there are human rights abuses, we should cut that aid to send a signal. We are our brother's keeper.

Almost every speaker who spoke here tonight has admitted there are human rights abuses in Kashmir, Punjab, Jagaland and elsewhere in India. So we know what is going on. They say there is a human rights commission in India. What would you expect them to say? They are government-sponsored. They are going to say things are getting better.

But listen to what the paper said just last week. This is the Washington Post:

> Human Rights Watch Asia said state-sponsored militias are committing grave human rights abuses, including summary executions, torture, and illegal detention in the only Muslim majority state in mostly Hindu India, and it is going on in Punjab as well.

Let me say to my colleagues one more time: Put yourself in the place of people who live in Punjab, Kashmir, Nagaland, and elsewhere in India. You have got a wife. You have got a kid. You have got a son. You have got a husband. They take your husband out in the middle of the night and you do not see him again. They find his body in a canal with his hands wrapped together and a gag in his mouth. Your wife is taken out in the middle of the night, they hold you at gunpoint and they take her out and gang rape her, because they know it is going to hurt her and you and everybody else, because of your Muslim beliefs. Those things are going on today. They take your son out and they remove a kidney because they want to use that for somebody that needs a kidney transplant, and that has happened as well.

These are not happening in the past, as many of my colleagues have said. They are going on today, right this minute. There are 550,000 troops in Kashmir and Punjab, and these things are going on as we speak.

□ 2130

So I just want to say to my colleagues tonight, if you care about your brothers around the world, if you care about human rights, I am not asking for the moon, I am just saying, do not give them any more money than you gave them last year. And the American taxpayers will applaud you for it. Because they do not want you to give that additional money anyhow. And all you are going to be doing by cutting a paltry $8.3 million is sending a signal. We do not want any more gang rapes for women. You would not want them in the United States. We do not want any torture, throwing people in canals with their hands bound and gagged. We want that to end, we want your government to stop these things and if you do that, we will applaud you and we will start working with you.

Mr. MENENDEZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to rise in strong opposition to the amendment offered by my good friend, the gentleman from Indiana [Mr. BURTON]. I

know the hour is late and this has been debated, but we are talking about the largest democracy in the world and our relationship with that democracy, and a new government that is being elected there, and what in fact we do has meaning to that new government, and I think the debate is important.

Mr. Chairman, every year in the foreign operations authorization bill, Members are presented with the same amendment to punish India, a secular democracy.

It is wrong to vote for this amendment this year in particular. India has just completed its 11th general elections. Mr. Chairman, these were fair and free elections in which over 350 million Indian citizens voted and elected a new government.

Speakers for this amendment will cite examples of human rights abuses, cold war, dollars to many of previously cold war countries. Well, let me take this opportunity to cite examples of Indian voters who rejected the agenda of separatists at the ballot box in Punjab. In this state, where violence was common in the 1980s and early 1990s, 70 percent of the eligible voters chose to support moderate parties over separatist ones.

In Jammu and Kashmir, approximately 40 percent of the eligible voters defied the death threats of armed militants to cast their ballots. In many cases these militants do not even come from Jammu and Kashmir. According to the State Department's ''Global Report on Terrorism for 1995,'' Pakistan was the base for many terrorist groups operating in Kashmir, and Indian authorities have detained Mujahedin from Sudan, Afghanistan and Pakistan. These are the same types of militants who are still holding 4 Western hostages captive, including Donald Hutchings of Spokane, Washington. The same militants who beheaded a Norwegian hostage last August.

Why is this amendment to cap assistance to the world's largest democracy being offered?

The Government of India has taken positive steps to address concerns raised by the United States in regards to human rights. In October 1993, India established a National Human Rights Commission. According to the 1995 State Department Human Rights Report ''the National Human Rights Commission continues to play a useful role in addressing patterns of abuse, as well as specific abuses, and is consolidating an attitudinal shift toward acknowledgement of human rights problems.''

The Terrorist and Disruptive Activities (Prevention) Act, special security legislation under which people had been held without charges, was allowed to lapse in May 1995. This amendment tries to inflict punishment on a country that has made significant progress in resolving its human rights problems.

Let me remind Members of the violence that exists in parts of India. Separatist militant groups and terrorists caused hundreds of deaths in 1995. These were all politically motivated killings that targeted civilians and community leaders who dared to call for an end to the violence. In Kashmir, terrorist threats have disrupted the judicial system, including the assassination of judges and witnesses. Many of these armed militants support secession from India and try to scuttle any progress towards a political process and dialog.

By supporting this amendment, we would only be hurting ties between the United States and India, the world's two largest democracies. The punitive nature of this amendment would only serve to isolate India, diminish the prospects for constructive dialog and add to the misery of the poorest and most desperate people in India.

Isolation of India would eradicate the potential for even greater economic and political changes and ties between the United States and India. So let us promote democracy in India, let us continue the progress that we have said as a country it is making in human rights. Let us vote against the Burton amendment.

Mr. OBEY. Mr. Chairman, I ask unanimous consent to speak for 30 seconds.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. OBEY. Mr. Chairman, I would simply take this time to say that it is my understanding, and I think it is the understanding of the gentleman from Texas and the gentleman from Alabama, that if discussion ends on this amendment, we can have a series of votes on the pending amendments and go home tonight, and I would urge that we do that.

Mr. CALLAHAN. Mr. Chairman, if the gentleman will yield, I think that is correct. This will be the fourth vote that we have to take tonight, and it is my understanding that once we can end debate on this issue, have the vote on the four amendments that are pending, that we will rise for the night. So I am hoping that we can begin to limit debate.

The gentleman from Wisconsin [Mr. OBEY] told me just a few minutes ago that maybe we ought to offer a bounty of $10 to anybody who says something new. I do not think we would stand to lose much money tonight, because everything has been said, but nevertheless, people want to be heard. I would encourage my colleagues to be brief. We are not going to change any votes at this late in the night. I think the amendment is going to be soundly defeated, and I know I am going to vote against the amendment, and I know many people on my side are going to vote against the amendment, but I would encourage my colleagues to be brief in their remarks. Instead of closing, I will just do something unique. I am going to submit my statement for the RECORD.

Mr. ACKERMAN. Mr. Chairman, if the gentleman will yield, under this open rule, we have approximately at this point 8 Members who wanted to speak. However, we have reached an agreement on our side because of the late hour, we have agreed to have two more speakers for 3 minutes apiece, if that is okay with the chairman.

Mr. CALLAHAN. With that, then I would like to also request for our side, we will limit it to one more, and after, that, I will just submit mine for the RECORD. So I will assume that on our side that the gentleman from California [Mr. CUNNINGHAM] will be the last.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have many Sikhs in my district and, like I said, nothing has been said new except that the Bulls are going to win tonight and you can pay me my $10, SONNY.

Mr. Chairman, the atrocities have gone on long enough. India has been anti-American. I support the amendment strongly.

Mr. ENGEL. Mr. Chairman, I move to strike the requisite number of words.

Let me say, Mr. Chairman, that that $10 offer is very tempting, but I just want to make a brief statement, I will not take all of my time.

First of all, I rise in opposition to this amendment. I think as people have said, it is ill-timed and it is the wrong amendment at the wrong time. The people who raise the cold war, the cold war is over, the Soviet Union has collapsed. We do not have a cold war anymore, it is a whole new ball game and I do not think we ought to dwell on the past.

India and the United States are developing a very good relationship. It has been said it is the two greatest democracies in the world, and I think again that India showed in the past several weeks that it is a democracy. A government was elected, that government was unpopular, it was doing some unpopular things, the government fell, and a new government was put in place, all in a democratic way. That is something that we wish the rest of the world could do. That is one of our stated policy aims. We want to increase democracy in the world. We want to promote democracy in the world.

When 400 million people participate in an election in India, I can think of nothing greater than to say that democracy works. They are making progress in human rights, there have been difficulties, no one denies that, but they are making progress. And United States investment in India being $5 billion, this would just cut $8 million to the poorest people in India, the people that really need our help.

So I think that again, the United States and India need to look to the future. The United States has worked with India; India has been working with the United States. Let us not go backwards, let us move forwards. This is a good investment in democracy; it is a good investment in United States-India relations, and we ought not to cut it.

Mr. WARD. Mr. Chairman, will the gentleman yield

Mr. ENGEL. I yield to the gentleman from Kentucky.

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

Mr. WARD. Mr. Chairman, I rise in opposition to the amendment.

Mr. MEEHAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I realize that the hour is late, but you know, it is only so often we get an open rule, so if I am going to be here at this time I might as well take this opportunity.

I just want to rise to voice my opposition to this amendment. Each year the gentleman from Indiana [Mr. BURTON] finds it necessary to offer the same amendment to cut foreign assistance to India. Fortunately each year this amendment fails, and I urge my colleagues to vote against this amendment and defeat it again this year.

India is the largest democracy in the world and continually displays its commitment to democratic principles. Recently 350 million people exercised their right to direct the future of their country by voting in democratic elections. India has maintained its allegiance to freedom and democracy.

Understandably, this amendment is being offered to punish India because of the country's poor human rights record. However, India has taken steps to improve its record and continues to do so. The Indian Government has allowed the United Nations offices, the Western media and the Red Cross into many regions to document their success.

Furthermore, we will not improve the government's record on human rights by cutting aid, which will cause thousands of India's residents to suffer. As Representatives of this Congress, we must be aware of our message on this vote and what it will send to nations struggling for democracy, to invest it in the United States and abroad. Cutting development assistance or making aid conditional on unwarranted premises will stigmatize India and make it less attractive to businesses and development that that country desperately needs. It is our responsibility to help invest in and help stabilize any nation willing to let citizens live in freedom and participate in government. Let us show our support for the largest democracy of the world and vote against the Burton amendment, and I thank the majority for having an open rule. It is seldom that we get this opportunity.

Mr. CALLAHAN. Mr. Chairman, I ask unanimous consent to strike the requisite number of words.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

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

Mr. CALLAHAN. Mr. Chairman, may I respond to the gentleman that it was not my idea to have an open rule, but nevertheless, I appreciate that.

Mr. Chairman, I am going to urge the Members to vote against the amendment and remind the Members that we have four pending amendments that will be voted on before we rise. We have the Obey amendment No. 1, Obey amendment No. 2, Radanovich and the Burton amendments, and the committee and I would urge a ''no'' vote on all four amendments.

Mr. MEEHAN. Mr. Chairman, today I rise to voice my opposition to this amendment. Each year, Mr. BURTON finds it necessary to offer the same amendment to cut foreign assistance to India. Fortunately, each year, this amendment fails. I urge my colleagues to join me again this year to defeat it.

India is the largest democracy in the world and continually displays its commitment to Democratic principles. In recent countrywide Presidential elections, preliminary results show that over 350 million people exercised their right to direct the future of their country by voting. India has maintained its allegiance to freedom and democracy despite being surrounded by autocratic regimes and unstable governments.

Villages in India need outside aid to help foster their citizens' entry into modern living; 75 percent of all the bikes and portable radios sold in India are sold in small villages. Sixty percent of all the table fans, sewing machines, bath soaps, and wristwatches are being bought by people who live in isolated areas that are years behind in technology.

Reports show that foreign aid dollars can translate into lower mortality rates, higher gross domestic product levels and higher literacy rates. Currently, health and medical conditions are so poor in parts of India that 40 percent of the women in India die in childbirth, 50 percent of all children are undernourished, and 50 percent of all polio patients die for lack of vaccinations. Food security is still a national security concern in this country—if this aid is cut thousands will go hungry, many more could die.

This amendment is being offered to punish India because of the country's poor human rights record. However, India has taken steps to improve this record and continues to do so. The Indian Government has allowed United Nations officers, western media, and the Red Cross into many regions to document their progress. Furthermore, we will not improve the Government's record on human rights by cutting aid that will cause thousands of India's citizens to suffer.

As Representatives to the United States Congress, we must be aware of the message our vote on this issue will send to nations struggling for democracy and to investors in the United States and abroad. Cutting development assistance or making aid conditional on unwarranted premises will stigmatize India and make it less attractive to the businesses and development the country desperately needs.

As our world grows smaller, it is to our responsibility to help invest in and help stabilize any nation willing to let her citizens live in freedom and participate in government.

Let's show our support for the largest democracy in the world. Vote against the Burton amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. BURTON].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. ACKERMAN. Mr. Chairman, I demand a recorded vote and pending that, I make a point of order that a quorum is not present.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Indiana [Mr. BURTON] will be postponed.

The point of no quorum is considered withdrawn.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to the rule, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 29 by Mr. OBEY of Wisconsin; amendment No 30 by Mr. OBEY of Wisconsin; amendment No. 67 by Mr. RADANOVICH of California; and amendment No. 5 by Mr. BURTON of Indiana.

AMENDMENT OFFERED BY MR. OBEY

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Wisconsin [Mr. OBEY] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 191, noes 231, not voting 12, as follows:

[Roll No. 215]

AYES—191

Abercrombie	Cunningham	Greenwood
Ackerman	Danner	Gunderson
Andrews	DeFazio	Gutierrez
Baldacci	DeLauro	Hall (OH)
Barcia	Dellums	Hall (TX)
Barrett (NE)	Dicks	Harman
Barrett (WI)	Dingell	Hilleary
Bass	Dixon	Hilliard
Becerra	Doggett	Hinchey
Beilenson	Dooley	Hoekstra
Berman	Duncan	Horn
Bilbray	Durbin	Hostettler
Blumenauer	Ehlers	Hoyer
Blute	Ensign	Jackson (IL)
Bonior	Eshoo	Jacobs
Boucher	Evans	Jefferson
Brown (CA)	Fattah	Johnson (SD)
Brown (OH)	Fazio	Johnston
Brownback	Filner	Jones
Bryant (TX)	Flanagan	Kaptur
Campbell	Foglietta	Kasich
Cardin	Foley	Kennelly
Chabot	Ford	Kildee
Chapman	Fox	Kleczka
Clay	Frank (MA)	Klug
Clement	Franks (NJ)	LaFalce
Collins (IL)	Funderburk	LaHood
Collins (MI)	Furse	Lantos
Condit	Gejdenson	Lewis (GA)
Conyers	Gibbons	Lipinski
Cooley	Goodlatte	LoBiondo
Costello	Goodling	Lofgren
Coyne	Gordon	Lowey
Cummings	Green (TX)	Luther

Markey
Martini
Matsui
McCarthy
McDermott
McKinney
McNulty
Meehan
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Moran
Morella
Nadler
Neal
Neumann
Oberstar
Obey
Olver
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Pomeroy
Porter
Portman
Poshard
Quinn
Rahall
Ramstad
Rangel
Riggs
Rivers
Roemer
Rohrabacher
Ros-Lehtinen
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sanford
Schroeder
Schumer
Sensenbrenner
Serrano
Shays
Shuster
Skaggs
Slaughter
Smith (MI)
Spratt
Stark
Stenholm
Stokes
Stupak
Talent
Thompson
Thurman
Tiahrt
Torkildsen
Torres
Towns
Upton
Velazquez
Vento
Visclosky
Volkmer
Wamp
Ward
Waters
Watt (NC)
Waxman
Weller
Williams
Wise
Woolsey
Wynn
Zimmer

NOES—231

Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barr
Bartlett
Barton
Bateman
Bentsen
Bereuter
Bevill
Bilirakis
Bishop
Bliley
Boehlert
Boehner
Bonilla
Bono
Borski
Brewster
Brown (FL)
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chambliss
Chenoweth
Christensen
Chrysler
Clayton
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Combest
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Davis
de la Garza
Deal
DeLay
Deutsch
Diaz-Balart
Dickey
Doolittle
Dornan
Doyle
Dreier
Dunn
Edwards
Ehrlich
Emerson
Engel
English
Everett
Ewing
Farr
Fawell
Fields (LA)
Fields (TX)
Forbes
Fowler
Franks (CT)
Frelinghuysen
Frisa
Frost
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goss
Graham
Greene (UT)
Gutknecht
Hamilton
Hancock
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hobson
Hoke
Holden
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kelly
Kennedy (MA)
Kennedy (RI)
Kim
King
Kingston
Klink
Knollenberg
Kolbe
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Longley
Lucas
Maloney
Manton
Manzullo
Martinez
Mascara
McCollum
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
Meek
Meyers
Mica
Miller (FL)
Molinari
Mollohan
Montgomery
Moorhead
Murtha
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Ortiz
Oxley
Packard
Parker
Paxon
Peterson (FL)
Pickett
Pombo
Pryce
Quillen
Radanovich
Reed
Regula
Richardson
Roberts
Rogers
Rose
Roth
Salmon
Sawyer
Saxton
Schaefer
Scott
Seastrand
Shadegg
Shaw
Sisisky
Skeen
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Torricelli
Traficant
Vucanovich
Walker
Walsh
Watts (OK)
Weldon (FL)
Weldon (PA)
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff

NOT VOTING—12

Allard
Browder
Flake
Gephardt
Jackson-Lee (TX)
Lincoln
McDade
Scarborough
Schiff
Studds
Thornton
Yates

□ 2204

The Clerk announced the following pairs:

On this vote:

Mr. Yates for, with Mr. McDade against.

Ms. Jackson-Lee of Texas for, with Mr. Scarborough against.

Messrs. DEUTSCH, HEINEMAN, and DOOLITTLE and Mrs. CUBIN changed their vote from ''aye'' to ''no.''

Messrs. SKAGGS, SMITH of Michigan, and WAMP, Mrs. LOWEY and Mrs. ROUKEMA, and Mr. SERRANO and Mr. GREENWOOD changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. OBEY

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 30 offered by the gentleman from Wisconsin [Mr. OBEY] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 240, noes 181, not voting 13, as follows:

[Roll No. 216]

AYES—240

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bass
Becerra
Beilenson
Bentsen
Berman
Bevill
Bilbray
Bishop
Blumenauer
Blute
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TX)
Calvert
Camp
Campbell
Cardin
Castle
Chabot
Chapman
Chenoweth
Clay
Clayton
Clement
Coble
Collins (IL)
Collins (MI)
Condit
Conyers
Cooley
Costello
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
DeFazio
DeLauro
Dellums
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Ehlers
Eshoo
Evans
Fattah
Fawell
Fazio
Fields (LA)
Filner
Flanagan
Foglietta
Foley
Ford
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Funderburk
Furse
Gejdenson
Gibbons
Gilchrest
Goodlatte
Goodling
Gordon
Green (TX)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hancock
Harman
Hefner
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Holden
Horn
Hostettler
Hoyer
Jackson (IL)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Jones
Kaptur
Kasich
Kennelly
Kildee
Kleczka
Klink
Klug
LaFalce
LaHood
Lantos
LaTourette
Lazio
Leach
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manzullo
Markey
Martini
Mascara
Matsui
McCarthy
McDermott
McKinney
McNulty
Meehan
Menendez
Mica
Millender-McDonald
Miller (CA)
Minge
Mink
Moran
Morella
Nadler
Neumann
Oberstar
Obey
Olver
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quinn
Rahall
Ramstad
Rangel
Regula
Riggs
Rivers
Roberts
Roemer
Rohrabacher
Ros-Lehtinen
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sanford
Sawyer
Schroeder
Schumer
Seastrand
Sensenbrenner
Serrano
Shays
Shuster
Skaggs
Slaughter
Smith (MI)
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Stupak
Talent
Thomas
Thompson
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Wamp
Ward
Waters
Watt (NC)
Waxman
Weldon (FL)
Weller
Whitfield
Williams
Wise
Woolsey
Wynn
Zimmer

NOES—181

Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Barr
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Bonilla
Bono
Brewster
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Canady
Chambliss
Christensen
Chrysler
Clinger
Clyburn
Coburn
Coleman
Collins (GA)
Combest
Cox
Davis
de la Garza
Deal
DeLay
Deutsch
Dickey
Doolittle
Dornan
Dreier
Dunn
Durbin
Edwards
Ehrlich
Emerson
Engel
English
Everett
Ewing
Farr
Fields (TX)
Forbes
Frank (MA)
Franks (CT)
Frisa
Gallegly
Ganske
Gekas
Geren
Gillmor
Gilman
Gonzalez
Goss
Graham
Greene (UT)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hoke
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Kanjorski
Kelly
Kennedy (MA)
Kennedy (RI)
Kim
King
Kingston
Knollenberg
Kolbe
Largent
Latham
Laughlin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Lucas
Manton
Martinez
McCollum
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
Meek
Metcalf
Meyers
Miller (FL)
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Murtha
Myers
Myrick
Neal
Nethercutt

Ney
Norwood
Nussle
Ortiz
Oxley
Packard
Parker
Paxon
Peterson (FL)
Pickett
Quillen
Radanovich
Reed
Richardson
Rogers
Rose
Roth
Salmon
Saxton
Schaefer
Scott
Shadegg
Shaw
Sisisky
Skeen
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stump
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thornberry
Vucanovich
Walker
Walsh
Watts (OK)
Weldon (PA)
White
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff

NOT VOTING—13

Allard
Browder
Ensign
Flake
Gephardt
Jackson-Lee (TX)
Lincoln
McDade
Scarborough
Schiff
Studds
Thornton
Yates

□ 2212

The Clerk announced the following pair:

On this vote:

Mr. Yates for, with Mr. McDade against.

Messrs. CASTLE, GUNDERSON, and WHITFIELD changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. RADANOVICH

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from California [Mr. RADANOVICH] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 268, noes 153, not voting 13, as follows:

[Roll No. 217]

AYES—268

Abercrombie
Ackerman
Andrews
Bachus
Baesler
Baker (CA)
Baldacci
Barcia
Barrett (NE)
Bartlett
Bass
Becerra
Bentsen
Bilbray
Bilirakis
Bliley
Blumenauer
Blute
Boehner
Bonior
Bono
Borski
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Buyer
Calvert
Camp
Canady
Cardin
Chabot
Chenoweth
Christensen
Clay
Clayton
Coble
Coburn
Collins (GA)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooley
Costello
Cox
Coyne
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
de la Garza
DeFazio
DeLauro
Deutsch
Diaz-Balart
Dickey
Dingell
Dixon
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Furse
Ganske
Gejdenson
Gilchrest
Gilman
Goodlatte
Gordon
Greene (UT)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hastert
Hayes
Hayworth
Hefley
Hefner
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hoyer
Hunter
Hutchinson
Inglis
Jacobs
Jefferson
Johnson (CT)
Johnston
Jones
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kingston
Kleczka
Klink
Klug
LaFalce
LaHood
Lantos
Largent
LaTourette
Lazio
Leach
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McHale
McHugh
McInnis
McKeon
McKinney
McNulty
Meehan
Menendez
Mica
Millender-McDonald
Miller (CA)
Mink
Moakley
Molinari
Mollohan
Moorhead
Moran
Morella
Myrick
Nadler
Neal
Neumann
Ney
Norwood
Nussle
Olver
Orton
Owens
Pallone
Pastor
Paxon
Payne (NJ)
Pelosi
Peterson (MN)
Petri
Pombo
Porter
Portman
Poshard
Pryce
Quinn
Radanovich
Ramstad
Rangel
Reed
Riggs
Rivers
Roemer
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Royce
Rush
Salmon
Sanders
Saxton
Scarborough
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Sisisky
Smith (NJ)
Smith (WA)
Souder
Stark
Stearns
Stockman
Stokes
Stupak
Talent
Tate
Tauzin
Thomas
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Visclosky
Volkmer
Vucanovich
Walsh
Wamp
Waters
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Williams
Wolf
Woolsey
Zeliff
Zimmer

NOES—153

Archer
Armey
Baker (LA)
Ballenger
Barr
Barrett (WI)
Barton
Bateman
Beilenson
Bereuter
Berman
Bevill
Bishop
Boehlert
Bonilla
Boucher
Brewster
Bryant (TX)
Bunn
Bunning
Burr
Burton
Callahan
Campbell
Castle
Chambliss
Chapman
Chrysler
Clement
Clinger
Clyburn
Coleman
Combest
Cramer
Crane
Deal
DeLay
Dellums
Dicks
Doggett
Edwards
Ehlers
Emerson
Everett
Ewing
Fields (TX)
Frost
Gallegly
Gekas
Geren
Gibbons
Gillmor
Gonzalez
Goodling
Goss
Graham
Green (TX)
Gunderson
Hamilton
Hancock
Hansen
Harman
Hastings (FL)
Hastings (WA)
Heineman
Herger
Hostettler
Houghton
Hyde
Istook
Jackson (IL)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Kasich
King
Knollenberg
Kolbe
Latham
Laughlin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Longley
Lucas
Manzullo
McCrery
McDermott
Meek
Meyers
Miller (FL)
Minge
Montgomery
Murtha
Myers
Nethercutt
Oberstar
Obey
Ortiz
Oxley
Packard
Parker
Payne (VA)
Peterson (FL)
Pickett
Pomeroy
Quillen
Rahall
Regula
Richardson
Roberts
Rogers
Rohrabacher
Roth
Sabo
Sanford
Sawyer
Schaefer
Schroeder
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (TX)
Solomon
Spence
Spratt
Stenholm
Stump
Tanner
Taylor (MS)
Taylor (NC)
Tejeda
Thompson
Thornberry
Vento
Walker
Ward
Waxman
White
Whitfield
Wicker
Wilson
Wise
Wynn
Young (AK)
Young (FL)

NOT VOTING—13

Allard
Browder
Flake
Gephardt
Jackson-Lee (TX)
Lincoln
McDade
McIntosh
Metcalf
Schiff
Studds
Thornton
Yates

□ 2220

Mr. SAXTON and Mr. BALDACCI changed their vote from ''no'' to ''aye.''

Mr. SMITH of Michigan changed his vote from ''aye'' to ''no.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. DE LA GARZA. Mr. Speaker, on rollcall vote No. 217, my intention was to vote ''no''. I inadvertently pressed the ''aye'' button. I ask that the RECORD reflect accordingly.

PERSONAL EXPLANATION

Mr. TORRES. Mr. Speaker, I ask that the RECORD reflect my strong support of the Bonior-Radanovich amendment to the foreign operations bill.

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Indiana [Mr. BURTON] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 127, noes 296, not voting 11, as follows:

[Roll No. 218]

AYES—127

Baker (CA)
Ballenger
Barcia
Barrett (NE)
Bartlett
Barton
Bilbray
Bilirakis
Bonior
Bryant (TN)
Bunning
Burton
Buyer
Canady
Chenoweth
Christensen
Coburn
Collins (GA)
Collins (MI)
Combest
Condit
Cooley
Costello
Cox
Crane
Crapo
Cubin
Cunningham
Danner
Deal
DeFazio
Diaz-Balart
Dickey
Doolittle
Duncan
Dunn
Ewing
Farr
Fazio
Foglietta
Geren
Gillmor
Goodling
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hefley
Heineman
Herger
Hilleary
Hoekstra
Hoke
Holden
Hostettler
Hunter
Hutchinson
Inglis
Istook
Jacobs
Johnson (CT)

Johnson, Sam
Jones
King
Klug
Largent
Latham
LaTourette
Lewis (KY)
Lipinski
Martinez
McInnis
McKeon
Metcalf
Miller (CA)
Montgomery
Moorhead
Myers
Neumann
Nussle
Orton
Owens
Parker
Paxon
Payne (NJ)
Peterson (MN)
Pombo
Porter
Poshard
Quillen
Quinn
Radanovich
Ramstad
Roberts
Rohrabacher
Ros-Lehtinen
Roth
Salmon
Schaefer
Seastrand
Shadegg
Shays
Shuster
Smith (NJ)
Smith (WA)
Solomon
Stenholm
Stockman
Stump
Tanner
Tate
Taylor (MS)
Tiahrt
Torres
Torricelli
Traficant
Vucanovich
Walker
Wamp
Watts (OK)
Wilson
Wolf
Young (FL)
Zeliff
Zimmer

NOES—296

Abercrombie
Ackerman
Andrews
Archer
Armey
Bachus
Baesler
Baker (LA)
Baldacci
Barr
Barrett (WI)
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bishop
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Brewster
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TX)
Bunn
Burr
Callahan
Calvert
Camp
Campbell
Cardin
Castle
Chabot
Chambliss
Chapman
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (IL)
Conyers
Coyne
Cramer
Cremeans
Cummings
Davis
de la Garza
DeLauro
DeLay
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Dornan
Doyle
Dreier
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Fattah
Fawell
Fields (LA)
Fields (TX)
Filner
Flanagan
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gilman
Gonzalez
Goodlatte
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hayworth
Hefner
Hilliard
Hinchey
Hobson
Horn
Houghton
Hoyer
Hyde
Jackson (IL)
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kingston
Kleczka
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lightfoot
Linder
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McIntosh
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Mica
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Moran
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Ney
Norwood
Oberstar
Obey
Olver
Ortiz
Oxley
Packard
Pallone
Pastor
Payne (VA)
Pelosi
Peterson (FL)
Petri
Pickett
Pomeroy
Portman
Pryce
Rahall
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Rogers
Rose
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Shaw
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (TX)
Souder
Spence
Spratt
Stark
Stearns
Stokes
Stupak
Talent
Tauzin
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thurman
Torkildsen
Towns
Upton
Velazquez
Vento
Visclosky
Volkmer
Walsh
Ward
Waters
Watt (NC)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wise
Woolsey
Wynn
Young (AK)

NOT VOTING—11

Allard
Browder
Flake
Gephardt
Jackson-Lee (TX)
Lincoln
McDade
Schiff
Studds
Thornton
Yates

□ 2228

Mr. SHADEGG changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 2230

Mr. CALLAHAN. Mr. Chairman, I commend the Chair for his professionalism today and his tolerance.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. TAYLOR of North Carolina) having assumed the chair, Mr. HANSEN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3540) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes, had come to no resolution thereon.

PERSONAL EXPLANATION

Mr. TEJEDA. Mr. Speaker, I was in transit to Washington from my district earlier today and missed rollcall votes 210, 211, and 212. Had I been present, I would have voted ''yes'' on rollcall 210; ''no'' on rollcall 211; and ''no'' on rollcall 212.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3562, THE WISCONSIN WORKS WAIVER APPROVAL ACT

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104–604) on the resolution (H. Res. 446) providing for consideration of the bill (H.R. 3562) to authorize the State of Wisconsin to implement the demonstration project known as ''Wisconsin Works,'' which was referred to the House Calendar and ordered to be printed.

RESIGNATION AS MEMBER OF COMMITTEE ON SMALL BUSINESS

The SPEAKER pro tempore laid before the House the following resignation as a member of the Committee on Small Business:

HOUSE OF REPRESENTATIVES,
Washington, DC, June 4, 1996.

Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives.

DEAR MR. SPEAKER: The purpose of this letter is to inform you that I hereby resign from the Committee on Small Business.

Sincerely,

EARL F. HILLIARD,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. FAZIO of California. Mr. Speaker, I offer a privileged resolution (H. Res. 447) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

HOUSE RESOLUTION 447

Resolved, That the following named Members be, and that they are hereby, elected to the following standing committees of the House of Representatives:

To the Committee on Economic and Educational Opportunities, EARL BLUMENAUER of Oregon.

To the Committee on Small Business, EARL BLUMENAUER of Oregon.

To the Committee on International Relations, EARL HILLIARD of Alabama.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SPECIAL ORDERS

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

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

[Mr. JONES addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

RIGHTS OF THE ALBANIAN PEOPLE IN THE FORMER YUGOSLAVIA

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

Mr. NADLER. Mr. Speaker, I yield to the gentleman from New York [Mr. GILMAN].

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

Mr. Speaker, I am pleased to join my colleagues today in expressing support for those ethnic Albanian citizens of

the Former Yugoslav Republic of Macedonia who seek higher education provided in the Albanian language.

The Macedonian Government does indeed offer instruction in the Albanian language and the language of other national minorities in the Former Yugoslav Republic of Macedonia at the primary and secondary levels of education.

I see no reason therefore, why classes at the university level of education, provided in the Albanian language, should not also be offered to those of Macedonia's citizens who desire them.

In fact, it can only assist the growth and consolidation of democracy in the Former Yugoslav Republic of Macedonia to ensure fair and equitable treatment for all of its citizens, regardless of ethnic background.

I have introduced House Concurrent Resolution 103, which expresses the Congress' support for equal and fair access to higher education in the Albanian language in the Former Yugoslav Republic of Macedonia.

At this time, that measure enjoys the support of a dozen of my colleagues in the House of Representatives.

As the language of House Concurrent Resolution 103 points out, the Macedonian Government should turn to the United States, the Organization on Security and Cooperation in Europe, the Council of Europe and other outside parties for assistance in making available higher education in the Albanian language.

We certainly understand that the Macedonian Government does not at this time enjoy vast revenues.

However, where there is a will, there is a way, and the Former Yugoslav Republic of Macedonia can certainly approach the United States and other parties for support in this matter.

In closing, Mr. Speaker, I would once again like to urge the government of the Former Yugoslav Republic of Macedonia to do all it can to respond to the desires of its ethnic Albanian citizens in this matter.

I am sure it would be a positive step for all of the peoples of that country and for the cause of democracy in the entire Balkans region.

I yield back the balance of my time.

Mr. NADLER. Mr. Speaker, I would like to bring to the attention of the American people the terrible deprivation of academic and cultural freedom being suffered by the Albanian people in the Former Yugoslav Republic of Macedonia, or FYROM.

We have learned only too well in the last few years, the price of ethnic intolerance in the former Yugoslavia. In Bosnia, so-called ethnic cleansing has resulted in mass murder, untold human suffering. The world community is still attempting to put the pieces together in that once beautiful and harmonious corner of the world. As we all listen to the evidence being placed in evidence before the International Tribunal in the Hague, we must recall that silence in the face of oppression and intolerance is an invitation to disaster.

Similarly, repression of a people's language and legitimate aspirations can be a precursor to, and indeed a cause of, the sort of ethnic violence that has gripped that region for too long. Albanians living in the former Yugoslavia have every reason for concern. In the regions of Kosovo and Vojvodina in the state of Serbia and Montenegro, we have seen the violent results of the suppression of ethnic minorities.

People of Albania descent make up 23 percent of FYROM's population. They have a proud and rich heritage. They also wish to learn in their own language, Albanian. This is neither a surprising nor a particularly outrageous aspiration. Yet, this fundamental aspiration has been neglected and even repressed by the government. Ethnic Albanians who are deeply concerned about their standing in FYROM and their ability to fulfill their educational aspirations point out that at the universities at Skopje and Bitola, only 2 percent of the students are ethnic Albanians, although 23 percent of the population is Albanian.

Albanians have attempted to open a university with Albanian language instruction, according to the prevailing law, and have been turned back with bureaucratic intransigence and brute force.

It has not always been this way. In fact, the former Yugoslavia established an Albanian-language university in Prishtina, in Kosovo, in 1974. This university was closed by the Serbian government in 1990, depriving ethnic Albanians of this fundamental educational opportunity.

The Albanian population of FYROM attempted to rectify this situation by applying to the Ministry of Education in October 1994 for permission to open an Albanian-language university. That request was ignored—not accorded even so much as an acknowledgement.

Frustrated, Albanian students protested the lack of educational opportunities at the Pedagogical Academy of the University of Skopje in November of 1994. The student strike in support of Albanian-language instruction was organized by these students who believed that such preparation would enable them to better educate ethnic Albanian students at all grade levels.

Without a response from the Education Ministry, educators attempted to open an Albanian language university in Tetovo, FYROM, and were suppressed by the police. An additional attempt was made to found an Albanian-language university in February 1995, and this time the force used by police resulted in the death of an ethnic Albanian and the wounding of 28 other individuals.

Our former colleague, and human rights activist, Joe DioGuardi, who serves as the volunteer president of the Albanian American Civic League, was in Tetovo at that time. Mr. DioGuardi was joined by my constituent, Ms. Shirley Cloyes, who is also a dedicated human rights activist. On their return, they reported on the events at Tetovo to Chairman GILMAN, who subsequently introduced House Concurrent Resolution 103 expressing the support of the Congress for the university at Tetovo.

The former rector of the Albanian language university in Prishtina, Kosovo, a distinguished professor and one of the founding group of the Albanian-language university in Tetovo, Dr. Fadil Sulejmani, was in the United States last year. He met with officials at our State Department and with members of Congress to describe the work they are trying to do over there and of their concern that young ethnic Albanians have over their ability to study in their own language and to enjoy the sort of academic freedom and cultural studies that we in the United States take for granted.

Our colleague, the distinguished Chairman of the House International Relations Committee, BEN GILMAN, has introduced House Concurrent Resolution 103, which expresses Congress' support for equal and fair access to higher education in the Albanian language in FYROM. Chairman GILMAN's resolution states the distressing history and gives a clear account of the situation.

The resolution will place the Congress in firm support of academic freedom and the right of Albanians in FYROM to study in their own language, and in particular in support of the efforts to provide university-level classes in the Albanian language at Tetovo, Macedonia.

Mr. Speaker, we have seen too clearly what happens when governments fail to recognize the fundamental rights of ethnic minorities. The suppression of language and culture, the inability of people to learn and write in their own languages, have generated much of the ethnic strife that is tearing apart societies around the globe.

This nation has succeeded, indeed this nation has thrived, on its tolerance and respect for different ethnic groups and their languages and cultures. It is a lesson that needs to be learned not just abroad, but, regrettably, here at home too. Tolerance and diversity don't foster division. It is when people are unable to express their cultures and speak their language that they resort to separatism.

I join my colleagues in urging the government of FYROM to respect the aspirations of the ethnic Albanian people and to recognize the University at Tetovo under the laws of FYROM as a legitimate expression of and to allow classes to be held at the university level in the Albanian language.

Mr. Speaker, I include for the RECORD remarks by Congressman BILIRAKIS:

Mr. BILIRAKIS. Mr. Speaker, I rise today to touch upon the importance of having access to education. Education not only plays a vital role in the development of an individual, but also of a nation. Benjamin Disraeli noted in a speech to the House of Commons in 1874, that "upon the education of the people of this country the fate of this country depends."

While we in the United States may sometimes complain about the skyrocketing costs of college tuition or the need for more classrooms, what we often take for granted is the fact that everyone has access to education. This is not always the case in other countries. For example, in countries such as Albania and the former Yugoslav Republic of Macedonia, ethnic minorities are often denied access to education.

Although international law and treaties signed by Albania guarantee ethnic Greeks a right to education in their native tongue, they are still denied equal access. Indeed, as Mrs. Porter, wife of Congressman JOHN PORTER of Illinois, pointed out to me in a letter dated December 14, 1995: "The oppression on the Greek minority in Northern Epirus is palpable. It is evident in the lack of Greek schools in towns and villages with predominately Greek populations and the denial by the government that such need exists."

While this situation troubles me, I am encouraged by the friendship and cooperation agreement that the two countries signed this March.

In addition, to the situation in Albania, a similar situation exists for ethnic Albanians in the former Yugoslav Republic of Macedonia. The Albanian-language University of Tetova still has not been officially recognized by the government. Ethnic Albanians are denied equal access to education. Indeed, as my friend and colleague, Congressman GILMAN, stated last September, the government "is not taking sufficient steps to ensure that those citizens from its considerable Albanian population are provided with adequate opportunities for higher education in the Albanian language."

Mr. Speaker, the challenge we face is to bridge the education and cultural gaps that exist in these countries to ensure that their respective ethnic minorities receive the education to which they are entitled. We must work to encourage removal of educational barriers, not only in the southern Balkans, but also in other parts of the world.

TRIBUTE TO RICHARD STULZ

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

Mr. HUNTER. Mr. Speaker, America is a great country because we are a Nation that is filled with great people.

A wonderful person passed away a couple of days ago, a good friend, Dick Stulz, who was one of the border patrol leaders in the San Diego area, was a wonderful citizen, a wonderful husband and had a great family of children and grandchildren who absolutely adored him.

Dick Stulz was a guy who believed very strongly in two things: securing America's border and taking care of his people.

Last time I saw him, he had a border patrol agent under his wing as one of the union leaders of the border patrol, and he was trying to see to it that this gentleman who had been assaulted at his house by illegal aliens would get some protection from his government.

Dick Stulz passed away a couple of days ago and his wife Veronica gave me that call about that tragic situation. She was at his side when he passed away.

I thought it would be important to tell my colleagues a few things about Dick. He was born in Philadelphia, PA. He was one of those guys who joined the Marine Corps in 1952, served with them for 30 years. As his duty stations, both at home and abroad, he was instrumental in establishing the communications networks that are required to support various military activities.

Furthering his dedication to government service, Dick was a lifetime member of the Navy-Marine Corps Military Affiliate Radio System. As such, he participated in several recovery missions during man's historic decade in space, spanning Apollo missions 7 through 17, where he played an integral role in processing and patching both military and civilian phone traffic between the recovery ship and various points around the globe.

□ 2245

His work on the Apollo recovery missions earned him lifetime membership with the VHF Spacenet.

In addition to his military service, as I said, he worked for 25 years with the United States Border Patrol. His job was effectively coordinating communications between field stations and agents on patrol along our border. And during this time at the Border Patrol Dick became highly involved with the National Border Patrol Council Local 1613, where he served as first vice president, and it was Dick Stulz who interested me in the idea that the Border patrol needed help and that the Boarder Patrol represented not just a faceless agency that secured America's border, but it represented some of the finest public servants in the United States. And it was a result of Dick's work that we started a scholarship fund for the children of Border Patrol families, and we are going to continue that fund. We are going to call it the Dick Stulz Memorial Fund. His wife Veronica, I know, will help us to make it work and keep it going.

And I just wanted to remind my friends also that on a more personal level Dick was always mindful of his military brethren and their sacrifices, and he actively supported a lot of veterans organizations. He had the distinction of being the only non-Hawaiian member of the Hawaii VFW Post 9512. He supported Pop Warner leagues around the country, and additionally he did just about everything that his children and grandchildren asked him to do.

Dick Stulz was a wonderful American. He is a kind of a person that makes this country work and gives us faith in our fellow man. So, Mr. Speaker, I know that my colleagues join me in wishing the very best for Dick's family in mourning his passing.

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

[Mr. LANTOS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

SOCIAL SECURITY REFORM

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, usually I am sort of a calm, old farmer from Michigan, and I take the ups and downs and the comments of what people say pretty casually. This afternoon, though, I was quite upset when I heard Secretary Rubin and Secretary Shalala and the commissioner of the Social Security Administration, Shirley Chater, in effect say that there was not very much trouble with today's report of the trustees on Medicare and Social Security.

The report on Social Security said the fund would technically be broke by the year 2029, and the reaction from that group was that, look, that gives us a lot of time in the future to make the changes we need. Social Security has never been broke.

I guess, Mr. Speaker, my problem is why are our heads in the sand? Why are they putting their heads in the sand? Why are Republicans, why are Democrats, not facing up to the issue of saving Social Security?

Look. Let me tell you what happened back in 1983 before the Greenspan Commission started. At that time they said the unfunded liability of Social Security would take 1.82 percent of existing payroll to make Social Security solvent. Guess what it is today? Today it is up to 2.17 percent of existing payroll to keep Social Security solvent, and yet Secretary Rubin said, well, you know, we have approximately $500 billion in the trust fund. But there is no money in the trust fund. Every dollar of surplus money that comes into that Social Security trust fund automatically goes into the general fund and is spent for whatever we spend money for in the United States Congress.

There is no trust fund. The money comes in one month from the FICA taxes from current workers, and it goes out immediately that month to existing retirees.

Just think of this. Back in 1945, right after World War II, there were 42 people working for every one Social Security retiree. Guess what it is today? Today it is three. When the baby-boomers retire, around 2013, there is going to be about 2½ workers. And yet the reaction was from one of the questions of the press, "What do you do you when the baby boomers start retiring around 2012 and there is no money in the fund? Where are you going to come up with the money," Secretary Rubin said, "Look, that interest alone in a separate fund will last until 2019."

My colleagues, Mr. Speaker, there is no separate fund. We have used up all of the money. If we were to start today to make Social Security solvent for the next 75 years, we would have to, if we just looked at reducing benefits or increasing taxes, we would have to increase the FICA taxes by 16 percent starting today, or we would have to start reducing benefits by 14 percent, starting today.

Now, that is why some of us have decided to introduce a Social Security reform bill to gradually increase the retirement age, to allow individuals to invest some of that money in their own account.

I know why they are saying there is no big deal. They do not want to disrupt the senior vote for this coming November election. But it is not fair to the future. I think the mistake they are making, Mr. Speaker, is thinking that senior citizens only care about their own economic welfare.

Here is what I think American senior citizens care about, and that is leaving a good world, a good United States, to their kids and their grandkids.

SOCIAL SECURITY TRUST FUND SOLVENCY

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, the congressional Republicans today began once again to distort the issues surrounding the Medicare trustees' report, basically in order to attempt to justify their extreme and damaging cuts in the Medicare program. It is the same thing they did last year. If you think about over the last 18 months, the congressional Republicans have refused to cooperate with President Clinton and congressional Democrats to make responsible adjustments to Medicare and extend the solvency of the trust fund. In fact, if you look at the votes over the last 18 months, congressional Republicans have repeatedly voted for deep cuts in the Medicare program in order to pay for their massive tax cuts for the wealthy and against bipartisan reforms that would extend the solvency of the trust fund.

I just wanted to point out some of the key votes on this issue because once again we heard today that there was no effort by the President or by the Democrats to solve the problem with the trust fund. The President actually stated today, mentioned on several occasions when there were votes in this House to try to deal with the solvency issue, and he actually asked the congressional Republicans, the Republican leadership, to come out and support similar type proposals once again before the end of this Congress.

Back in May of 1995, about a year ago, the House Republicans brought up their budget resolution for the fiscal year, and that vote basically provided $288 million in Medicare cuts to pay for $345 billion in tax cuts targeted to the wealthy. This was the first major time when we saw the Republican leadership move on these massive cuts in Medicare and propose major changes that I think negatively impact the Medicare program.

Now, the Medicare cuts in that first budget resolution, the one that they passed last year, were more than 3 times larger than the $90 billion in Medicare cuts that the trustees stated were necessary to extend the solvency of the trust fund through 2006; in other words, another 10 years. According to the Treasury Department, 52 percent of the tax cuts in that proposal went to the top 12 percent of American households, those making over $100,000, and it not only made these cuts that basically was transferring money to wealthy Americans, but it also undermined the current Medicare program. Among other things, the deep GOP cuts would have doubled the monthly Medicare part B premium paid by all Medicare beneficiaries, drastically reduce the reimbursement paid to providers under the Medicare program, which would result in hospitals closing and also, I believe, jeopardize the general quality of health care available to seniors.

Now, some have said, well, what was the Democrats' alternative? Well, in October 1995 the gentleman from Florida [Mr. GIBBONS], a Democrat who is the ranking member of the Committee on Ways and Means, brought up a vote on exactly or proposed an amendment on exactly the $90 billion in Medicare reforms; in other words, the level of cuts that the Medicare trustees said was necessary to make sure the program remains solvent into the next century.

Well, 233 House Republicans voted against the Gibbons substitute, again a strong indication of the fact that they were not really interested in dealing with the solvency issue but wanted to make the larger cuts that would have primarily been for tax breaks for the wealthy and the substantive changes in the Medicare program.

We had other votes. We had a vote on October 19 also. This was a motion offered by the gentleman from Missouri [Mr. GEPHARDT] to recommit the budget or to recommit the GOP Medicare Revisions Act and basically would have removed the increase in the monthly part B premium paid by all Medicare beneficiaries. So once again Republicans on record, in this case 233 Republicans who said that it was okay to significantly increase part B premiums for every Medicare beneficiary who opted for the part B program, which pays for doctor bills.

Now, this year we see the same thing happening again. On May 18, just really a few weeks ago, the gentleman from Minnesota [Mr. SABO], who is the ranking Democrat on the Committee on the Budget, he brought up the Clinton budget, the President's budget that essentially contained $116 billion in Medicare reforms and would have again solved the solvency problem and extended the Medicare program and kept it solvent into the next century. This was again something that was 225 House Republicans voted against.

So when someone says to me, what are the Democrats doing, what is the President doing to try to deal with the solvency problems, those votes have come up, the President's budget came to the floor, and once again the Republicans voted it down.

Instead what we got on May 18 was the new Republican budget resolution for the next fiscal year. Again the same thing again. It called for $168 billion in cuts in the Medicare program, too much unless you want to use it for tax breaks for the wealthy.

PARLIAMENTARY INQUIRY

Mr. HAYWORTH. Mr. Speaker, parliamentary inquiry.

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

Mr. HAYWORTH. In view of the preceding remarks, do the rules of the House require that speakers tell the truth during the course of their remarks?

The SPEAKER pro tempore. That is not a valid parliamentary inquiry.

Mr. HAYWORTH. I thank the Chair. However, I find it a valid point.

MEDICARE TRUST FUND

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

Mr. HOKE. Mr. Speaker, you know the one thing, or one of the things, that a representative democracy cannot tolerate is the poison of disinformation and deceit and demagoguery. And it is a solitary, singular and extraordinarily disturbing time when it is necessary to, or one is certainly moved to feel the necessity to correct the record at every single turn just so that the poison of disinformation, the poison of deceit, the poison of hypocrisy and the poison of lies will not completely undermine the vary fabric of our ability to represent ourselves in a representative democracy.

So what I would like to talk about this evening is the Medicare trust fund and particularly this chart because what this is this is the Federal hospital insurance trust fund report, for it represents the report for 1995 and then for 1996.

In 1995 the trustees, the President's trustees; these are not, they are not supposed to be, partisan trustees, they are nonpartisan, or they really should not have a partisan impact. But if they were going to be considered partisan, I suppose you would have to consider them to be Democratic representatives because they were all appointed by the President. But I do not consider them to be partisan; I do not think that is correct. I think that in fact they were

appointed by the President, they are members of his Cabinet, and they are there trying to do the very best that they can for the American people.

□ 2300

What they do is, they are required by law to come up with an analysis of the trust funds. What they said in 1995 is they believed that we would have a balance of zero, that is what this line represents, Mr. Speaker, a balance of zero in the Medicare Trust Fund in about the year 2002. Do Members see how that matches up there? What this shows is the trust fund balance at the end of each fiscal year.

But the new report that was just published, and by the way, I do not know why it was only published yesterday, that we are just seeing it the first week of June. It is supposed to be published in April. But in any event, it finally came out in June. What it shows is that it goes to zero, the trust fund balance at the end of the fiscal year goes to zero in about the year 2000. So the President's trustees here, they are not saying, oh, it is not as bad as we thought, they are saying it is worse, it is worse. It is a lot worse. We are spending a lot more money than we thought we were spending.

What exactly was it that the President wished for in his reforms? His reforms would have increased Medicare spending at about 7.2 percent per year, and our reforms, that is, the House's reforms, the Senate's reforms, the congressional reforms, would have increased them at about 7.0 percent per year.

How either one of those could possibly be described as a deep cut I do not understand. I do not understand. When are we increasing at 7.0 percent or 7.2 percent, how on earth can that be described as a deep cut? I do not know. I do not know.

But, Mr. Speaker, what I do know is that if we do not fix the problem, if we as representatives of the people of the United States, who are supposed to be acting responsibly, not with partisan purposes to be acting responsibly, not with partisan purposes first, not because we are trying to get elected or reelected, not because we are trying to retain power or because we are trying to retake power but because we are trying to do what is right by the American people, if we do not fix this problem it will not go broke in 2002, as the President's trustees suggested or stated in their report of 1995, it will go broke in the year 2000. And if we do not do anything, I suppose if Members believe in trend lines, then it would be reasonable to assume that next year's report will show that it is going to be broke in 1998, which will be 12 months from then.

Rome is burning here, Mr. Speaker. We need to fix this.

MEDICARE

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

Ms. DELAURO. Mr. Speaker, today the Medicare Board of Trustees released their annual report on Medicare. Not surprisingly, the trustees' report says that if nothing is done, the Medicare Trust Fund will run out of money by the year 2001. We have expected this news. In fact, it is why last October the Democrats offered an amendment that contained $90 billion in Medicare reforms over a 7-year period. The amendment would have extended the life of the Medicare Trust Fund through the year 2006 and would have remedied the problem.

Mr. Speaker, although the contents of the report were not surprising, the response of the Republican Party and its leadership to the report has been incredible. If it was not so ridiculous, it would be downright funny. The Republicans have spent a lot of time this week running around Washington and playing the blame game. They are blaming the media, they are blaming the Democrats, and they are blaming the people who are on Medicare.

The House majority leader, the gentleman from Texas, DICK ARMEY, has said, and I quote:

> Hundreds of thousands of seniors rely on Medicare. I'm sorry they do, but they do.

But, Mr. Speaker, this is no laughing matter. Last October, House Republicans had a chance to vote, to vote to fix the Medicare problem. Over 233 of them, let me say it again, over 233 of House Republicans voted no. Soon there will be a list of those 233 so that the public can see who they are. Now they are acting like they just found out that there is a problem; but the fact is last October they resoundingly rejected an opportunity to reach an agreement with congressional Democrats on $90 billion in Medicare savings that would have extended the solvency of the program through 2006.

But why should that surprise us? In the same month that he voted against fixing Medicare, House Speaker NEWT GINGRICH has said, ''No, we do not want to get rid of it in round one because we don't think that is the right way to go through a transition, but we believe it is going to wither on the vine because we think people are voluntarily going to leave it.''

In order to encourage them the Republicans have proposed cutting $168 billion from the Medicare Program over the next 6 years. In fact, as early as February of 1995, the gentleman from Ohio, JOHN KASICH, the chairman of the Committee on the Budget, and his staff knew that their budget, again, ''would require Medicare cuts unlike any this town has ever seen before.''

Why such a large cut? These cuts are not going to be used to extend the solvency of the Medicare Trust Fund. In fact, the original Republican Medicare cuts were about three times any estimate of what was needed to keep the program solvent. The truth is that the Republicans need to cut Medicare in order to pay for a tax break for the wealthiest Americans, $180 billion in a tax break.

Last September the McNeil/Lehrer News Hour reported a private meeting between the gentleman from Georgia, NEWT GINGRICH, and the chairman of the Committee on the Budget, the gentleman from Ohio, [Mr. KASICH]. Mr. GINGRICH told the gentleman from Ohio that the only way to balance the budget in 7 years and to give a tax break was to cut Medicare.

The cuts advocated by the Republican leadership could result in a second-rate health care system for our Nation's seniors, a system where the elderly will be asked to pay more and to get less. The plan would allow the health care plans to overcharge seniors, to charge them more, reduce choice, increase costs, close rural hospitals, or drastically reduce the services that hospitals offer.

Where are our priorities, Mr. Speaker? The Republicans want to cut Medicare to pay for tax breaks for the wealthy, when we should be honoring a lifetime of hard work with a secure and a dignified retirement. In the end, the Republicans keep laughing, and the joke is on the American people and on seniors across this great country of ours who depend on Medicare for their livelihood and for their future.

We can fix Medicare. We can do that, and we need to do that. That is not the issue. But the fact of the matter is that the Republicans would like to see Medicare fundamentally changed. Who do you trust to fix the Medicare Program, the people who have said that they want to see it wither on the vine, that they would be proud to have voted against it; the gentleman from Texas [Mr. ARMEY], who says he does not want to see a bipartisan commission to fix the Medicare Program? The American public needs to understand what is at stake once again.

URGING MEMBERS TO SUPPORT H.R. 3460, TO PROTECT AMERICAN PATENT RIGHTS

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

Mr. ROHRABACHER. Mr. Speaker, I yield to the gentleman from Arizona [Mr. HAYWORTH].

CORRECTING AN INACCURATE QUOTE ATTRIBUTED TO MR. GINGRICH

Mr. HAYWORTH. Mr. Speaker, I thank my colleague, the gentleman from California, for yielding to me.

Mr. Speaker, I think the gentlewoman from Connecticut and all those who heard her remarks would be interested in hearing the accurate quote she attributed to the Speaker of the House, not talking about the Medicare Program, but the Health Care Financing Administration. Here is the complete quote:

You know, we tell Boris Yeltsin, get rid of centralized command bureaucracies, go to the marketplace. Okay, what do you think the Health Care Financing Administration is? It is a centralized command bureaucracy. It is everything we are telling Boris Yeltsin to get rid of. No, we don't get rid of it in round one, because we don't think it is politically smart, we don't think that is the right way to go through a transition. But we believe it is going to wither on the vine because we think seniors are voluntarily going to leave it, voluntarily.

Again, the record demonstrates, that refers to the Health Care Financing Administration, not to Medicare withering on the vine. That is the type of partisanship we should avoid in moving to solve this problem.

Mr. ROHRABACHER. Mr. Speaker, I would hope that we can discuss issues like that in a spirit of camaraderie, except I will have to note that when people misquote other people's positions, they can expect people to get upset about it. I will say that what I have heard personally over the last year is an attempt that I would believe that many Democrats are making to try to frighten the senior citizens of the United States by using misquotes, by trying to present to them the idea that the Republican Party has some idea of taking away their Social Security and taking away their Medicare. I would say I believe that this is an insult to the senior citizens, in particular, of our country, and I think our senior citizens are much more intelligent and will not fall for that type of tactic.

Mr. Speaker, what I would like to speak about tonight with my remaining 3½ minutes is something that is a major threat to the well-being of every American. That is a battle that is going on that nobody even hears about.

What is happening is we are now facing the most severe attack on America's patent system that we have ever had in the history of the United States. Foreigners and multinational corporations have insidiously targeted our patent system and are now, step by step, destroying the patent system of the United States, the patent system which has provided us the greatest source of new wealth creation of any nation in the history of mankind. This has been America's greatest asset, and people are attacking the system. It is being attacked, it is being dismantled, and it is one of the most insidious attacks I have ever seen as a Member of the Congress.

The patent system was first changed in the GATT implementation legislation by a provision that was not required by GATT, but was snuck into the implementing legislation because we in Congress had to vote for the entire legislation or against it, and thus, they were sure they would get the vote for changing the patent system because they knew that we would not just totally abandon the world trading structure.

What happened in that legislation, Mr. Speaker, was that the guaranteed 17 years of patent protection that Americans have had as a right for the last 130 years was taken away and was replaced by an uncertain time of 20 years. But that 20 years, if it takes you longer, the clock begins ticking when you file for a patent. Seventeen years of guaranteed patent protection meant if you filed for a patent, no matter how long it took after the time it took you to issue your patent, you would have 17 years of protection. Thus, inventors and investors put forth the time and effort needed to keep America ahead of the competition.

If we replace that with a system of 20 years, where the clock starts ticking immediately, what that does is the clock is ticking against the inventor, and if it takes 15 years, 15 years for a patent to be issued, only 5 years of patent protection would remain. Basically our guaranteed patent term, the right to a guaranteed patent term, was eliminated for the American people, something that served us so well.

The second step in this harmonization process, and what is happening is a process to harmonize American law with Japanese law, is actually a destruction of the Patent Office.

H.R. 3460 is a bill that has already passed the subcommittee. This bill, which I call the Steal American Technology Act, would literally destroy the current Patent Office and corporatize it.

Here is a conservative Republican, who usually likes privatization, telling you that this would be horrible. We must protect American patent rights and oppose 3460, which would destroy the Patent Office. We can do this in the time ahead by supporting H.R. 359, which is my substitute, to H.R. 3460.

THE REPORT OF THE MEDICARE TRUSTEES

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

Mrs. MINK of Hawaii. Mr. Speaker, I would like to join my colleagues on this side of the aisle in discussing the Medicare situation. Today the headlines all across the country will be repeating the report of the trustees that in their estimation and in conservative estimates that by the year 2001 the trust fund, which pays for the hospital costs of the Medicare program, will run out of money. That is that the taxes collected under the health insurance program will be insufficient to meet the needs of the senior citizens who are qualified for this program.

In forecasting this outcome in the year 2001, we have to understand that since this program took effect in 1965, that almost every year, or at least every 2 years since then, the trustees have met and have also recommended each time dire consequences of near bankruptcy, and in some cases, within 1 or 2 years. Congress has, in each instance, looked at the Medicare Program, tried to make modification in order to avert the crisis, and each time that this report was made by the trustees, the Congress has acted.

We are in no different a circumstance than has been the case over the last 20 or 30 years.

□ 2315

So in trying to take advantage of the trustees' reports today, I want to join my colleagues in saying that that is really not a reason or justification to run roughshod over a system that has made such dramatic changes for our senior citizens for the better.

When you look at what the situation was prior to 1965, you will find seniors almost virtually without health care protection, and the outcome was that their children practically had to pay for the costs of medical care. That was the condition of our society prior to 1965. Today, senior citizens have the assurance and the protection of a Medicare system.

So what we are talking about today and what this whole debate is all about is not frightening seniors. That is not the issue. The issue is the Republican plan which has been brought forth to the Congress and discussed by the media across the Nation, and it is the Republican proposal to restructure Medicare which has frightened literally the seniors across the land, basically because they are not willing to accept the argument of the Speaker that says, we are not doing any damage to the system; we are simply slowing the growth in order to make sure that the deficits are controllable or that we can yield a zero deficit in 7 years.

Well, the whole problem with this debate which the Speaker has now attempted to refocus about reducing the costs is that what we are faced with today is a system of providing universal care to the seniors. If we are going to go with the drastic cuts that the Republicans are making over this 6- or 7-year period, through restructuring, we are going to end intellectual property with a Medicare system that is vastly different, which is not going to provide the kind of protection that the seniors have enjoyed today.

Under the current Medicare plan, seniors across the country are provided certain fixed benefits that they can be assured of if they should require hospitalization. We are only talking about the part A plan. Part B plan is not involved in this trustees' forecast of running out of money by the year 2001.

So as we look at the 6- and 7-year period, which is what the Committee on the Budget is doing in terms of looking at the 7-year deficit, we have to consider that the forecast by which the Committee on the Budget under the chairmanship of the gentleman from Ohio [Mr. KASICH] is doing, forecasting 7 years, is precisely what we have to do with respect to Medicare.

It is the Congressional Budget Office, their own office which is saying that given the current plan, given the current benefits, given the current way in

which Medicare operates that this is the cost of the program that has to be anticipated.

So if we do not follow those cost estimates by the CBO and we come in with $100 billion, $200 billion cut, that is a cut; no way other than that is an explanation of what the Republican plan is all about.

So I caution the seniors not to get confused. What we are dealing with here is a major, drastic cut of the Medicare Program, and the dollars are important, but it is the restructuring of this program that is far more devastating.

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under a previous order of the House, the gentleman from Ohio [Mr. BROWN] is recognized for 5 minutes.

[Mr. BROWN of Ohio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

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

[Mrs. CLAYTON of Ohio addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

ORDER OF BUSINESS

Mr. BARRETT of Wisconsin. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. BARRETT], as the designee of the minority leader, be recognized before the designee of the majority leader for 10 minutes, notwithstanding the Speaker's announced policy of May 12, 1995.

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

There was no objection.

WELFARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Wisconsin [Mr. BARRETT] is recognized for 10 minutes as the designee of the minority leader.

Mr. BARRETT of Wisconsin. Mr. Speaker, tomorrow the House of Representatives will be considering a bill dealing with the W–2 Wisconsin Works Program. I would like to spend a few minutes talking about that bill tomorrow, because I think it is a bill that is frankly a bill that should not be before the House of Representatives.

Mr. Speaker, when I am home in my district in Wisconsin, one of the questions I am asked most often is, Why cannot the Democrats and Republicans get along better? Why does every issue have to turn into a partisan issue? I think that this issue is an excellent example of a time when an issue that should not be a partisan issue has become one, and it has become a partisan issue unfortunately, and I think unnecessarily.

Several weeks ago President Clinton in his Saturday weekend radio address announced that he supported the waiver request that would be coming from the State of Wisconsin. In essence, he offered an olive branch to the Republicans. He said, I agree with you. What is happening tomorrow is that the Republicans are taking this olive branch, they are breaking it in half, and they are sticking it in the President's eye. They are trying to embarrass him, they are trying not to work together at a time where I think Republicans and Democrats can work together. Again, I think that that is very unfortunate.

I think the people in this body should have a little history of the W–2 legislation that passed the State of Wisconsin. This is legislation that passed the State legislature earlier this year and was sent to the Governor. At that time the Governor of the State of Wisconsin used his partial veto power 97 times; 97 times he lined out parts of this legislation that affected 27 different areas of this legislation. He then took 5 weeks to prepare some waiver requests, and last week he announced at a press conference that he would be delivering these waiver requests to the President of the United States. The following morning, he took the waiver requests to the White House.

That day, I called his office and called the office of the Department of Health and Social Services in the State of Wisconsin, since I represent the district that is most affected in this entire country by the W–2 program. I asked for a copy of the waiver requests. Those came yesterday. It is interesting that those came yesterday, because we are going to be voting on this legislation tomorrow.

Let us get to this legislation, because for the first time that I have been able to discover in the history of this country, we are going to have a freestanding bill and the Congress of the United States is going to grant waivers to a State without any prior hearing, without any public input, without any chance for people who are affected by this program to have any input, to have any recourse with their elected officials. The people who are affected by this program are in essence being told, you are shut out of the process.

Mr. Speaker, this is arrogance at its worst. This is an arrogant misuse of power and it is an arrogant misuse of the process of this institution.

Now, what should happen? Mr. Speaker, tomorrow there is going to be a substitute amendment that is going to be offered by the gentleman from Wisconsin [Mr. KLECZKA]. That amendment is going to do several things. First, it is going to encourage the Secretary of the Department of Health and Social Services to grant these waivers, but it is going to encourage the Secretary to do so after the public has been given an opportunity to have their input. That is what normally happens.

What is ironic about this is that this is a situation where the last time a waiver request was granted by a President without this due process, without the 30-day public hearing period, the courts struck it down. They said, you have to have the public hearing. What is happening here is we are trying to circumvent that process. We do not want the people of this country to have the ability to hear and have the legislators hear what they have to say.

The legislation that is offered by the gentleman from Wisconsin [Mr. KLECZKA] is also going to say that this waiver should be granted if the W–2 waiver requests that have been submitted to the President of the United States are consistent with the public representations that the Governor of the State of Wisconsin has made. That is all we are asking.

We are asking two things: First, that the public have an opportunity to have their concerns mentioned; and second, we are asking that the Governor of the State of Wisconsin, who has made representations on this issue, that the waivers are consistent with those representations. I do not see where that is any great disservice to the people who are pushing this waiver.

I would also like, Mr. Speaker, to talk a little bit about the merits of the plan. Welfare reform is something that everyone in this body is interested in. People from both sides of the aisle recognize that the current welfare system is not working. But as we seek to improve this welfare system, we cannot ignore the fact that real people are involved in this system, that real people are the ones that may be hurt if we act cavalierly.

The Governor of the State of Wisconsin said, oh, yes, there are going to be speed bumps in this process. Mr. Speaker, our job as legislators is to make sure that real people are not those speed bumps, and I represent the district in this country that is going to be most affected by this plan.

I would like to point out just a couple of things about this plan. This plan requires women who have given birth to return to work after 12 weeks. I am not going to debate the merits of that. There are people here who think that is a good idea; there are people here who think that is a bad idea. But what it does not recognize is that by pouring literally thousands more children into the child care system in Milwaukee County, it is going to overload the system. The system is not equipped at this time to deal with that.

What is going to happen? These women are going to be given a choice. They are either going to put their children in substandard care, or they are going to stay home and lose their benefits. We are talking about 4-month old babies here who are going to be put in substandard care or their mothers are going to lose their benefits.

Now, that is under the merits. But I do not want to spend all my time on

the merits, because what we are seeing tomorrow is one of the worst abuses of the legislative process that I have seen since I have been in this body. The first time in the Nation's history we are going to have a stand-alone waiver request. And are the committees of jurisdiction going to be asked to consider this? Absolutely not. Are we going to have any public hearings on this? Absolutely not. Is a single public American going to be able to have their concerns addressed? Absolutely not.

This morning, Mr. Speaker, I was on a radio program in my district and the question came, well, what happens to the Indians in the State of Wisconsin who are affected by this? What if this violates one of the treaties? Have you looked at that? I explained to them that there is not a single legislator outside of the State of Wisconsin who has ever looked at these waiver requests. There are 600 pages of waiver requests that are going to be approved by this body tomorrow, and no one had looked at them and there has been no public hearing on them.

All we are doing is denying the people of the State of Wisconsin and the people of every other State in this country the ability to have their voice be heard. That is not the way this institution should operate, Mr. Speaker. That is not the way this Government should operate.

Now, when this piece of legislation passed the State of Wisconsin's legislature, it did so on a bipartisan basis. But the Governor changed it in some significant ways, but at the time that he signed it, the law of this land was that this body, or this Government more correctly, the Federal Government, would examine those waivers to make sure that they were consistent with the U.S. Constitution, that they were consistent with Federal law.

Now the majority is saying, forget about it, it does not matter to us whether they are consistent with the U.S. Constitution. It does not matter to us whether they are consistent with Federal law.

But perhaps the most galling part of this entire process, Mr. Speaker, is that this is a situation where the State of Wisconsin has come to this administration numerous times asking for waivers, and each and every time it has come to this administration asking for waivers, what has happened? President Clinton has granted the waivers.

We are not dealing with a situation where President Clinton has been unresponsive. We are not dealing with a situation where he has denied the request for flexibility or the chance for States to act as laboratories of democracy. No. He has worked together on a partnership. He has worked together to allow the State of Wisconsin to experiment. But that is not enough, because now we are dealing with Presidential politics.

So instead of the State and the President working together in a partnership to try to improve the lives of the people of Wisconsin, we have the President of the United States who has offered an olive branch.

Some of my colleagues on the other side of the aisle probably did not like the fact that he agreed that he should have the waiver request approved. They did not like it because they felt that he was stealing their issue, that welfare reform is somehow a Republican issue and President Clinton has decided that he agrees with this experiment in the State of Wisconsin. They feel like he pulled one over on them.

But there is not what the American people want. The American people do not care if it is a Republican issue or a Democratic issue; they care if we are making progress.

□ 2330

So it was wrong, Mr. President. When President Clinton offered an olive branch, the Republicans should not have taken that olive branch, broken it, and stuck it in his eye. That is not the way this body should operate.

REPUBLICANS VIEW ISSUES OF THE DAY

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under the Speaker's announced policy of May 12, 1995, the gentleman from Georgia [Mr. KINGSTON] is recognized for 30 minutes as the designee of the majority leader.

Mr. KINGSTON. Mr. Speaker, we wanted to talk tonight in response to some of the things that have been going on in Washington. I have with me the gentleman from Minnesota [Mr. GUTKNECHT] and the gentleman from Arizona [Mr. HAYWORTH].

I think our first topic that we will go ahead and talk about is this Wisconsin waiver, which basically is saying it gives the State of Wisconsin the right to make their own laws on governing and reforming welfare. President Clinton went out there 2 weeks ago and said, ''I support the waiver for you, I like what you're doing, it's great,'' and when the cameras were on, he was 100 percent for it. Then when the cameras turned off, he backed off.

But the second thing that happened is the Republican Party said, ''Great, a bipartisan chance to work on welfare reform. We welcome it.'' Here is a President who said he wanted to end welfare as we know it, not extend welfare as he has been doing, so let us give him the Wisconsin waiver.

It has been debated, as I understand it from the gentleman from Wisconsin [Mr. KLUG], 18 months in the Wisconsin Legislature. The gentleman from Minnesota [Mr. GUTKNECHT] was in the State legislature. What is your comment on this?

Mr. GUTKNECHT. I thank the gentleman for yielding. I was in a border State in Minnesota. We have been debating welfare reform for a long time. I think you have characterized it absolutely correctly, that this bill that passed the Wisconsin Legislature, it is a giant step forward in terms of encouraging more work and personal responsibility.

The President went to Wisconsin, said that he supported what was happening in Wisconsin, would grant them the waiver, and then somewhere between getting on the plane in Madison to fly back to Washington, something happened and all of a sudden some of the bureaucrats here in Washington apparently got to the President and said well, maybe we cannot support all of those waivers, and all we are trying to do is actually help the President to keep one more campaign promise. I am really surprised at the characterization we heard here just a few moments ago.

Mr. HAYWORTH. I would join my colleague from Minnesota, and I thank my friend from Georgia for yielding. Yes, I would have to take issue with the statements of our friend from Wisconsin, playing off some of the philosophical biases of some of the self-appointed potentates and pundits around the Beltway as if issues are there to be stolen or plagiarized.

That is not the issue in this case. What is the issue is something that is seemingly oft repeated in this dynmaic which exists between the legislative branch of government and the executive branch, and that is, unfortunately, and I say this not with any glee nor with venom or vitriol, there simply is an inconsistency between the President's words and the President's deeds.

And so again what we are doing in the new majority, with sincere folks from the other side of the aisle, is to step beyond partisanship and give the President the vote of confidence, I think we could almost say, to move forward with the very waivers he so willingly embraced. My friend from Georgia recalls that twice now we have passed welfare reform, mindful of the President's words to end welfare as we know it. We have done it twice and twice we have seen that legislation vetoed.

Mr. KINGSTON. I want to make the point that the liberal media has given President Clinton a free ride on just about any issue. What the Congress is saying, ''We're giving you a chance, Mr. President, if you're going to talk the talk, walk the walk.''

You mentioned that we have passed welfare twice and it has been vetoed by this President twice. In fact, the last bill passed the U.S. Senate by a vote of 87 to 12. That is a very strong bipartisan statement, particularly from the Senate which is not exactly letting a lot of legislation go.

Mr. GUTKNECHT. I would just add to that, the discussion we have had today and we have heard tonight on special orders is really again sort of back to this fundamental debate between those who believe that in the final analysis Washington knows best and those of us who would like to see, whether we are talking about Medicare reform or welfare reform, to decentralize this thing and allow States and individuals to

make many of the choices themselves. It is really, and you hate to get back to this debate about Boris Yeltsin and some of the comments the gentleman made about the former Soviet Union, how we are encouraging them to move to a more market oriented system.

Yet here in Washington it is easy to be in favor of welfare reform and Medicare reform when you are out on a campaign swing, but somehow when you get back to Washington, the influence of this city just says no, we must keep the decisionmaking, we must keep the power here in Washington.

Mr. HAYWORTH. And even despite the considerable influence and pervasive atmosphere of this city, which seems to have a fundamental disconnection with the rest of the country, there is another disturbing development. Again our friend from Wisconsin who preceded us asked, almost plaintively, ''Why can't Republicans and Democrats get along?''

I would contend that on many issues there are many folks on the Democratic side who want to find solutions. What is troubling is that there are many in this Chamber who, even in the act of despairing and disparaging partisanship, turn right around and engage in the same type of partisanship.

You mentioned earlier, and the example was especially unfortunate and egregious, our good friend and colleague from Connecticut stood up again, mischaracterizing and misquoting one of the prominent Members of this institution with reference to Medicare, attributing a quote to that individual, saying this individual said that Medicare would wither on the vine. And indeed the record reflects that the speaker in question was talking about the Health Care Financing Administration, not the Medicare Program. I would simply repeat the quote:

> You know, we tell Boris Yeltsin, get rid of centralized command bureaucracies, go to the marketplace. What do you think the Health Care Financing Administration is? It is a centralized command bureaucracy. It is everything we are telling Boris Yeltsin to get rid of.
>
> No, we do not get rid of it in round one because we do not think it is politically smart. We do not think that is the right way to go through a transition. But we believe it—the Health Care Financing Administration—let me add that emphasis—we believe it is going to wither on the vine because we think seniors are going to leave it, are going to leave it voluntarily.

It is most disturbing. And as much as we want to move forward in a bipartisan fashion, when there are those who repeatedly come to this floor and either through misinformation or deliberate disinformation choose to mischaracterize and unfairly characterize the facts in this debate, then it is our duty to point out the inaccuracies of those statements, not for playground taunts or to score debating points as if this were some super sophisticated debating society, no, not at all. Because we are cognizant of the fact that this is the Chamber in which our constitutional Republic must talk out issues and must find solutions.

Mr. KINGSTON. I am glad the gentleman mentioned that we do have a very difficult time here approaching issues and the resolution of those issues on a rational basis because of the rhetoric.

Here on this chart is a quote by the Democrat leader, DICK GEPHARDT. This was on CNN September 30, 1995, last year. ''it is a big lie to say that Medicare is in trouble.''

This is not an ordinary rank-and-file Democrat here speaking. Okay, everybody may say something one time. But here again, ''Meet The Press,'' July 30, questioned by a reporter.

''Isn't it true that we cannot allow Medicare to grow at 10 percent a year?''

Congressman GEPHARDT says, ''Now the Republicans are saying because the report says the fund will have insolvency problems in the year 2002 there's a great urgency. This is a hoax.''

This is the health care program that my mother is on, not just my mother but all of her friends and my parents' friends who raised me and helped me in my formative years. The Democrat leader says that it is not going broke.

Here is the report which came out today. Last year this yellow line says that Medicare would be going bankrupt in the year 2002. This was the report of April 3, 1995. Well, that yellow line going bankrupt in 2002, that is what Congressman GEPHARDT was saying, ''That's a lie.''

Well, he turned out to be right. It was wrong. It actually is going to go bankrupt, according to the new report, which just came out today, about 2 years earlier than that, and there is a steady decline in dollars already. Medicare is losing money. The very program that our mother's health care depends on and you do not want to fact up to how we are going to protect and preserve it? This is extremely important. It is a high priority for me. It is beyond partisan politics. These are the people who helped raise all of us. We owe them a debt. We have got to crack down on the fraud and the abuse and the waste. We have got to give them a choice of health care plans, a choice of physicians, the same choices that you and I have when we go out into the health care and insurance market. Let Mom and Dad have those choices.

Mr. GUTKNECHT. I just want to reiterate a couple of things that Mr. KINGSTON has just said. First of all, seniors especially but indeed all Americans have a right to the facts. Frankly I think that there have been too many of these distortions and half-truths and mistruths and outright lies. Frankly the quotes that you have used tonight from the minority leader, I do not think they were taken out of context at all. I think for a number of months I think it was a calculated position by one side in this debate to basically say there is no problem and that the Republicans have made this up and they are trying to cut Medicare so that they can give this tax cut to the rich, which is bogus, anyway, but the point is this is serious, it is real, and the program is going bankrupt at an even faster rate than we were told last year.

But the other point that was made, and it needs to be restated, this is not the time and this is not the issue for partisanship. This is an issue that deserves real statesmanship. But the first thing we have to do is face up to the facts. We have to get the facts. The American people and seniors have a right to the facts.

The other point that Mr. KINGSTON made, and I think this is even more important, I think we have got to address this, and I personally do not address this as a Republican or even a Member of Congress. First of all I address it as the son of two parents who are both on Medicare, who both depend on the Medicare system, and hopefully will well into the future for their health care.

A fellow came up to me at a meeting a couple of weeks ago and he said something so beautifully and so simply. He said,

> With the issue of Medicare and so many of the other issues that you're debating out in Washington, it's not a debate between the Republicans and the Democrats. In fact, it's not so much a debate between the right and the left. It's a debate between right and wrong.
>
> It is wrong to conceal the facts from the senior citizens when we know the facts. The fund is going bankrupt. Let me just finally say that it is also wrong to tolerate a system that is rife with abuse and waste and fraud. I do not care which study you use. When I have my town meetings, I have had people come up at my town meetings and talk about being billed $321 for a toothbrush. I mean, there is so much waste, fraud and abuse. The GAO, I think, said it was $23 billion. Somebody else said it was $30 billion. We do not know what the exact number is, but we know that the system we have today, with the centralized control bureaucracy, is wrong.

Let me also say that the system we have, it is wrong for us to tolerate a system that is so complicated that my parents, and indeed I do not think most seniors can understand their bills. I mean, that is just wrong. They ought to at least know what they are being billed for.

My father had surgery a few months ago and he got a stack of bills this deep. I could not understand them. So I am sure he could not understand them and I doubt if many people can understand them. We need a simpler system that is built on market forces, that gives people real choices and allows the market to help control those costs. Everybody who has looked at this, every independent objective observer who understands the health care delivery system says that our plan will work and it will give people those choices.

Mr. KINGSTON. I wanted to make a point about this fraud and abuse. Right now Medicare does not pay people like your father with that stack of bills, if he finds out that three or four of them are erroneous, he does not get any kind of reward for that at all. In fact many

times when you say don't pay a bill to Medicare, you have to really be proactive or they resist you.

But here is an example. This is a kind of a dressing, and I am not sure, a salesperson gave this to me, and said that the cost, the actual manufacturing cost, is like 9 cents and it sells under Medicare for about $28.

□ 2345

It is a total abuse of the system. And I just want to say that under our reform plan, seniors who are getting billed for this kind of thing right and left would have the opportunity to crack down on it. Let me yield to the gentleman.

Mr. HAYWORTH. I thank my colleague from Georgia. Even as we lament the inaccuracies and what some, including those of us here on the floor would believe are downright distortions coming from some folks who do not appear really committed to finding a solution to this, in the spirit of true bipartisanship, in the spirit of finding a constructive path to solve this problem, let us state what has happened that has been constructive.

First of all, the President today called on us to find a bipartisan solution. I know we would say to the President, Mr. Speaker, we would say welcome to this. Now let us own up to the problem and let us move to solve it. Let us also note for the record that many Members of this Chamber on both sides of the aisle lament the waste, fraud and abuse the system has wrought. So we understand that fact.

Now again, not in the spirit of oneupmanship or political advantage but in the spirit of truly trying to solve this problem and save this program for our seniors, I believe we need to point out some honest differences of opinion on this issue. No. 1, gone are the days and indeed we see with the release of this trustees' report that the crisis has grown more acute, that now we are looking at the fund going broke in 5 years, but quite possible in 4.

Now again, our colleague from Connecticut stood in the Chamber and said that the new majority was rejecting out of hand a commission. Well, again, a closer check of history would indicate that that was part and parcel of our solution program a year and a half ago. But moreover, again those of us who are new to this town, I think, come in perhaps without the experience of the so-called insiders but with clear enough vision to understand that in Washingtonese, when you are dealing with a program that is sensitive politically, one tactic that is quite often used to pacify the citizenry until the next election is a blue ribbon independent panel.

Mr. Speaker, again, I say this not in the spirit of criticism but in the spirit of solving this problem. The problem is far too acute to delay again or to put off or to somehow postpone until we get through the next election. What we are talking about is health care for our senior generations. My folks go on it next year. My 92-year-old grandfather has prospered from his health care and is living an outstanding life now, as indeed many senior citizens are.

The very thing we need to do is to move to save this program, and I dare say at the end of another year and a half or another 2 years, after we go through the pomp and circumstance of a commission, we will be no closer to a solution when right now we have the blueprint which exists to make the change. We passed it last year, last October, the Medicare Preservation Act.

Now, again, Mr. Speaker, in the spirit of bipartisanship, I would call on the President to join with us. The one thing we cannot afford is any type of convenient Washington way out or gimmick that would again seem to pacify or mollify seniors and try to take care of this program. We do not need to play a shell game with $55 billion moving from the Medicare trust fund to the general fund or vice versa or any type of legislative sleight of hand to try and satisfy this problem.

We need to be up front. Many of us in this Chamber had the courage to confront this a year and a half ago. We do not do that to ask for the gold star of good partisanship. We simply recognized that fact and the Medicare Preservation Act is a framework which offers choice, which offers quite candidly what many seniors are comfortable with and that is Medicare status quo which cleans up the waste, fraud, and abuse, which introduces the concept of choice and which moreover actually adds money to the beneficiaries every year, from $4,800 this year to well over $7,000 a few short years from now, and actually increases at what is basically twice the current inflation rate.

It is a prudent policy to follow to save this program. It is vital we do so. So it is in that spirit of bipartisanship that we call on the leadership of the minority side, that we call on the President of the United States, that we call on the Members of the other body to move forward to solve this problem. As today's report indicates, this is far too important to put off because of political considerations.

Mr. KINGSTON. If the gentleman would yield, I wanted with the few minutes left to talk about another serious problem that we are facing in America today, mostly with our young people, not completely, and I am talking about drugs.

Now, I believe the two of you are familiar with the Clinton appointed judge Harold Baer, the Federal judge. That case, as you know, involved a woman who was in a high-crime area, pulled up to an area, I think at 4 in the morning. Four men stepped out of the shadows. She opened her trunk. They put into the back of her car in the trunk two duffle bags. The police moved in on this suspicious behavior. All five of them ran. The police apprehended all of them and found out later that the duffle bags were filled with cocaine, and this Clinton judge said that the cocaine could not be used as evidence because to run from the police was rational behavior in that neighborhood because the police were known as oppressive. That is the kind of people that we are getting to fight the war on crimes by the current administration.

Now, that is in the face of the fact that the average age for marijuana usage in America right now is 13. Marijuana usage for 12- to 14-year-old kids is skyrocketing. This is a headline from the Charlotte newspaper today as I was going through the airport: Teen girls use drugs like boys. It talks about a new study showing that young American women are closing the gender gap in drug use, and today's daughters are 15 times more likely than their baby boomer mothers to have begun illegal drugs by the age of 15.

Now, can you imagine, we have got these kinds of things going on in America today, and then we have judges like this appointed to the bench to defend us and keep our streets safe?

Mr. GUTKNECHT. If the gentleman would yield, I think the issue of crime and drugs, it is interesting, it is not just the big cities anymore. You can go out to the small towns. I remember the newspaper editor in one of my small towns last year. You have to be from a small town to relate to this. He said: You know, even here in Hayfield, Minnesota people are starting to lock their doors.

I mean, this is a big issue. People no longer feel safe in small towns. Rochester, Minnesota, which is a beautiful city and we are all very proud of it, but even in Rochester we have had several murders just in the last week and a half. So whether they are drug related, some are, some are not, but the whole notion of appointing judges who do not believe that people are responsible for their own behavior, that is a very, very scary notion.

I think the American people are saying very loudly and very clearly that we want a criminal justice system and we want judges appointed who understand that people who would prey upon other people need to be held accountable, and the innocent people need to be protected from those who would prey upon them.

Mr. HAYWORTH. I think our colleague from Minnesota makes excellent points, points worth echoing, because I can attest in the Sixth District of Arizona, a district in square mileage which is a little larger than the Commonwealth of Pennsylvania, with vast rural areas, with not a great population density in those 46,000 square miles, we are finding similar problems in the rural areas in the less densely populated areas.

We are finding indeed, and it troubles me to even say it in this fashion, but you know how many reputable businesses are built on franchise. I dare say that gangs, part and parcel of our drug problem, seem to be replicating or franchising far faster than any reputable business organization. Now it is

coming into rural, sparsely populated Arizona.

We have many of the same problems and, indeed, both of my colleagues, Mr. Speaker, have addressed this point. We have to ask this question as well: One of the undergirding concepts of western law and, indeed, whether it is British or American case law, is the notion of what is reasonable.

That is, put in a particular situation, what would a reasonable person do? As our colleague from Georgia points out, it is especially troubling that a judge would move or would opine from the bench that fleeing the police in a certain neighborhood should ever be considered reasonable behavior.

□ 2355

It is especially troubling, and indeed causes great concern, as we look to our third branch of government in our separate but coequal branches, as we try to address the problem of crime and the rise of drug use among young people, we must move not for what is radical, despite the playground taunts and the labels that we hear from so many within here on the banks of the Potomac, but what is reasonable. That must define what we do.

Mr. GUTKNECHT. If the gentleman would yield, I think the irony of this, and someone else pointed this out to me, that we currently have some 20,000 or 30,000 troops patrolling the streets of Bosnia to make the streets safe over there. But I daresay it is not safe to walk the streets here in Washington, DC or in many of the cities in this country.

Frankly, if we are willing to commit troops to make the streets safe in Bosnia-Herzegovina, we should be willing to do whatever it takes to make the streets of the United States safe.

Mr. KINGSTON. That is one reason we passed the truth-in-sentencing laws, as the gentleman knows, because as of a few years ago, the average criminal was only serving 35 percent of his sentence. And we are now saying if States want new Federal money to construct jails in their State for violent criminals, then they have to serve their full sentence, which makes the streets safe.

We are arresting people not for the 2d time or the 3d time, but for the 9th, 10th and 11th time. It is not safe even if you are a police officer.

We only have a few minutes so why do we not have some closing comments. Mr. HAYWORTH.

Mr. HAYWORTH. I thank my colleague from Georgia and I thank my colleague from Minnesota for joining us this evening and, indeed, Mr. Speaker, those across our great Nation who are looking in this evening.

We are confronted by profound problems. The test for us is not posturing for an election in November but moving to solve these problems. So once again, despite the challenges of some deliberate disinformation, we call on our colleagues from the liberal persuasion and the President of the United States at the other end of Pennsylvania Avenue to join with us to save Medicare, to adequately address these problems, to deal with the crime issue, to deal with genuine welfare reform, and to do it because it is the right thing to do.

Mr. GUTKNECHT. I thank the gentleman for yielding, and I would just say that this debate tonight, this discussion tonight, has been constructive, and it reinforces what I really believe, and that is the fundamental debate that is going on here in this Congress and in this country is really between those who believe in more Washington control and more Washington responsibility. Whether we are talking about welfare or crime, or whether we are talking about Medicare, I do not care what it is, the issue is whether we will have more control and more responsibility in Washington or are we going to reinforce more personal control and more personal responsibility.

Those are the policies we ought to pursue. That is what the American people expect, that is what they want, and that is what this Congress is trying to deliver.

Mr. KINGSTON. Mr. GUTKNECHT, Mr. HAYWORTH, I agree with you completely. It has been 60 years since there has been a status quo shakeup in Washington, and we need to change this liberal command and control bureaucracy and return power back to the people, back to the local governments so that we can do a more efficient, more effective job of running this country and have a Government that works.

Mr. Speaker, we yield back the balance of our time, and again I thank Mr. GUTKNECHT and Mr. HAYWORTH for joining in this special order.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BONILLA (at the request of Mr. ARMEY) for today until 4 p.m., on account of attending his daughter's graduation.

Mr. CRAPO (at the request of Mr. ARMEY) for today until 5 p.m. on account of attending his daughter's graduation.

Mr. MYERS of Indiana (at the request of Mr. ARMEY) for today until 4 p.m., on account of medical reasons.

Mr. SCHIFF (at the request of Mr. ARMEY) for today and the balance of the week, on account of illness.

Ms. JACKSON-LEE of Texas (at the request of Mr. GEPHARDT) for today, on account of death of her father.

Mrs. LINCOLN (at the request of Mr. GEPHARDT) for today, on account of medical reasons.

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. BARRETT of Wisconsin) to revise and extend their remarks and include extraneous material:)

Mr. NADLER, for 5 minutes, today.
Mr. LANTOS, for 5 minutes, today.
Mr. PALLONE, for 5 minutes, today.
Ms. DELAURO, for 5 minutes, today.
Mrs. MINK of Hawaii, for 5 minutes, today.
Mr. BROWN of Ohio, for 5 minutes, today.
Mrs. CLAYTON, for 5 minutes, today.
Mr. GENE GREEN of Texas, for 5 minutes, today.
Mr. MEEHAN, for 5 minutes, today.
Ms. PELOSI, for 5 minutes, today.
Mr. WARD, for 5 minutes, today.

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

Mr. JONES, for 5 minutes, on June 10.
Mr. HUNTER, for 5 minutes, today.
Mr. SMITH of Michigan, for 5 minutes, today.
Mr. KOLBE, for 5 minutes, on June 6.
Mr. HOKE, for 5 minutes, today.
Mr. ROHRABACHER, for 5 minutes, today.
Mr. HANSEN, for 5 minutes, on June 6.

EXTENSION OF REMARKS

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

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

Mr. EDWARDS.
Mr. LIPINSKI.
Ms. DELAURO.
Ms. HARMAN.
Mr. HAMILTON.
Mr. CARDIN.
Mr. GORDON.
Mr. FRAZER.
Mr. SKELTON.
Mr. LANTOS.
Mr. BERMAN.
Mr. KANJORSKI.
Mr. ACKERMAN.
Mr. POMEROY.
Mrs. MEEK of Florida.
Mr. STARK.
Mr. SANDERS.

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

Mr. GINGRICH.
Mr. LEWIS of California.
Mr. FAWELL.
Mr. WHITE.
Mr. COLLINS of Georgia.
Mr. CRANE.
Mr. QUINN.
Mr. EHRLICH.
Mr. SOLOMON in three instances.
Mr. BOEHLERT.

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

Mr. PETERSON of Florida.
Mr. UPTON.
Mr. JOHNSTON of Florida.
Mr. EWING.
Mr. POSHARD.
Mrs. CUBIN.
Mr. MCINNIS.

Mrs. LOWEY.
Mr. BECERRA.
Mr. HERGER.
Mr. STUPAK.
Mr. TEJEDA.
Mr. YOUNG of Florida.
Mr. NADLER.
Mr. PAYNE of New Jersey.
Mr. BOEHLERT.

SENATE BILL REFERRED

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

S. 1624. An act to reauthorize the Hate Crime Statistics Act, and for other purposes; to the Committee on the Judiciary.

ADJOURNMENT

Mr. HAYWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 midnight), the House adjourned until Thursday, June 6, 1996, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

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

3369. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Tobacco Inspection; Growers' Referendum Results [Docket No. TB–95–18] received May 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3370. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Papayas Grown in Hawaii; Assessment Rate (FV–96–928–1 IFR) received May 31, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3371. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's 1995 annual report on military expenditures for countries receiving U.S. assistance, pursuant to section 511(b) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993; to the Committee on Appropriations.

3372. A letter from the Secretary of Defense, transmitting the Secretary's certification that the current Future Years Defense Program [FYDP] fully funds the support costs associated with the C–17 multiyear program through the period covered by the FYDP, pursuant to 10 U.S.C. 2306b(i)(1)(A); to the Committee on National Security.

3373. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the Corporation's semiannual report on the activities and efforts relating to utilization of the private sector, pursuant to 12 U.S.C. 1827; to the Committee on Banking and Financial Services.

3374. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the semiannual report on the activities of the Affordable Housing Disposition Program, covering the period from July 1 through December 31, 1995, pursuant to Public Law 102–233, section 616 (105 Stat. 1787); the Committee on Banking and Financial Services.

3375. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the Staff Report of the Federal Reserve System, pursuant to 12 U.S.C. 1833; to the Committee on Banking and Financial Services.

3376. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the annual report on the subject of retail fees and services of depository institutions, pursuant to 12 U.S.C. 1811 note; to the Committee on Banking and Financial Services.

3377. A letter from the Executive Director, Thrift Depositor Protection Oversight Board, transmitting the annual report of the Thrift Depositor Protection Oversight Board on the Resolution Funding Corporation for the calendar year 1995, pursuant to Public Law 101–73, section 511(a)((103 Stat. 404); to the Committee on Banking and Financial Services.

3378. A letter from the Director, Office of Management and Budget, transmitting OMB's estimate of the amount of discretionary new budget authority and outlays for the current year, if any, and the budget year provided by H.R. 3019, pursuant to Public Law 101–508, section 13101(a) (104 Stat. 1388–578); to the Committee on the Budget.

3379. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Federal Motor Vehicle Safety Standards; Child Restraint Systems (NHTSA, DOT) (RIN: 2127–AF46) received June 3, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3380. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Vehicle Identification Number Requirements (NHTSA, DOT) (RIN: 2127–AF69) received June 3, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3381. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants for: Chromium Emissions for Hard and Decorative Chromium Electroplating and Chromium Anodizing Tanks; Ethylene Oxide Commercial Sterilization and Fumigation Operations; Perchloroethylene Dry Cleaning Facilities; and Secondary Lead Smelting (FRL–5512–6) received May 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3382. A letter from the Associate Director for Strategic Planning, Minority Business Development Agency, transmitting the Agency's final rule—Revision of the Cost-Share Requirement and Addition of Bonus Points for Community-Based Organizations Applying to Operate Minority Business Development Centers (MBDC) in Designated Locations [Docket No. 960402097–6129–06] (RIN: 0640–XX02) received June 4, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3383. A letter from the Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Ownership Reports and Trading by Officers, Directors and Principal Security Holders (RIN: 3235–AF66) received May 31, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3384. A letter from the Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Phase One Recommendations of Task Force on Disclosure Simplification (RIN: 3235–AG75) received May 31, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3385. A letter from the Director, Defense Security Assistance Agency, transmitting the quarterly reports in accordance with sections 36(a) and 26(b) of the Arms Export Control Act, the March 24, 1979, report by the Committee on Foreign Affairs, and the seventh report by the Committee on Government Operations for the second quarter of fiscal year 1996, January 1, 1996-March 3, 1996, pursuant to 22 U.S.C. 2776(a) and (b); to the Committee on International Relations.

3386. A letter from the Under Secretary of Export Administration, transmitting the Administration's final rule—Exports of Alaskan North Slope Crude Oil; Establishment of License Exception TAPS [Docket No. 960523147–01] received June 4, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

3387. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Public Notice Number 2401—Passports (Bureau of Consular Affairs) (22 CFR 51, Subpart B) received June 4, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

3388. A letter from the Secretary of Agriculture, transmitting the semiannual management report for the period October 1, 1995, through March 31, 1996, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

3389. A letter from the Secretary of Education, transmitting the semiannual report on activities of the inspector general for the period October 1, 1995, through March 31, 1996, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

3390. A letter from the Secretary of Energy, transmitting the semiannual report on activities of the inspector general for the period October 1, 1995, through March 31, 1996, and the semiannual report on inspector general audit reports for the same period, pursuant to 5 U.S.C app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

3391. A letter from the Chairman of the Board, Pension Benefit Guaranty Corporation, transmitting the semiannual reports to the Congress of the Pension Benefit Guaranty Corporation's Executive Director and the Office of Inspector General for the period October 1, 1995, through March 31, 1996, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

3392. A letter from the Secretary of the Treasury, transmitting the Department's fiscal year 1995 financial report on the Treasury forfeiture fund, pursuant to Public Law 102–393, section 638(b)(1) (106 Stat. 1783); to the Committee on Government Reform and Oversight.

3393. A letter from the Attorney General of the United States, transmitting the semiannual report on activities of the inspector general for the period October 1, 1995, through March 31, 1996, and the semiannual management report for the same period, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

3394. A letter from the Chairman, Consumer Product Safety Commission, transmitting the semiannual report on activities of the inspector general for the period October 1, 1995, through March 31, 1996, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

3395. A letter from the Administrator, Environmental Protection Agency, transmitting the semiannual report on activities of the inspector general for the period October 1, 1995, through March 31, 1996, and the semiannual management report for the same period, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

3396. A letter from the Chairman, Federal Trade Commission, transmitting the semiannual report on activities of the inspector general for the period October 1, 1995, through March 31, 1996, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

3397. A letter from the Acting Administrator, General Services Administration, transmitting the semiannual report on activities of the inspector general for the period October 1, 1995, through March 31, 1996, and the semiannual management report for the same period, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

3398. A letter from the Chairman, National Science Board, transmitting the semiannual report on activities of the inspector general for the period October 1, 1995, through March 31, 1996, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

3399. A letter from the Chief Operating Officer/President, Resolution Funding Corporation, transmitting a copy of the Resolution Funding Corporation's Statement on Internal Controls and the 1995 Audited Financial Statements, pursuant to Public Law 101–73, section 511(a) (103 Stat. 404); to the Committee on Government Reform and Oversight.

3400. A letter from the Secretary of Veterans Affairs, transmitting the semiannual report on activities of the inspector general for the period October 1, 1995, through March 31, 1996, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

3401. A letter from the Commissioner, Bureau of Reclamation, transmitting a report on the financial statements of the Colorado River Basin Project for the year ended September 30, 1994, pursuant to 43 U.S.C. 1544; to the Committee on Resources.

3402. A letter from the Commissioner, Bureau of Reclamation, transmitting a report on the financial statements of the Colorado River Basin Project for the year ended September 30, 1995, pursuant to 43 U.S.C. 1544; to the Committee on Resources.

3403. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Administration, transmitting the Service's final rule—Groundfish of the Gulf of Alaska and the Bering Sea and Aleutian Islands Area; Bycatch Rate Standards for the Second Half of 1996 [Docket No. 900833–1095; I.D. 052396A] received June 4, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3404. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Administration, transmitting the Service's final rule—Groundfish Fishery of the Bering Sea and Aleutian Islands Area; Aggregate Species in the Rock Sole/Flathead Sole/''Other Flatfish'' Fishery Category by Vessels Using Trawl Gear [Docket No. 960129019–6091–01; I.D. 052896H] received June 4, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3405. A letter from the Program Management Officer, National Marine Fisheries Administration, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Pollock Seasonal Allowances [Docket No. 960228053–6142–02; I.D. 022296E] received June 4, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3406. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Administration, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Pollock in the Western Regulatory Area [Docket No. 960129018–6018–01; I.D. 052896E] received June 4, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3407. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Administration, transmitting the Service's final rule—Groundfish of the Bering Sea and Aleutian Islands Area; Sharpchin/Northern Rockfish Species Category in the Aleutian Islands Subarea [Docket No. 960129019–6019–01; I.D. 052996B] received June 4, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3408. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Administration, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Pollock in Statistical Area 620 [Docket No. 960129018–6018–01; I.D. 052896C] received June 4, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3409. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Administration, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Pollock in Statistical Area 630 [Docket No. 960129018–6018–01; I.D. 052896D] received June 4, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3410. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Administration, transmitting the Service's final rule—Groundfish of the Bering Sea and Aleutian Islands Area; Pacific Ocean Perch in the Eastern Aleutian District [Docket No. 960129019–6091–01; I.D. 052896G] received June 4, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3411. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Administration, transmitting the Service's final rule—Pacific Halibut Fisheries; 1996 Halibut Landing Report No. 1 [Docket No. 960111003–6068–03; I.D. 0521B6A] received June 4, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3412. A letter from the Program Management Officer, National Marine Fisheries Administration, transmitting the Service's final rule—General Provisions for Domestic Fisheries; Extension of Emergency Fishing Closure in Block Island Sound [Docket No. 960126016–6121–04; I.D. 042996F] received June 4, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3413. A letter from the Program Management Officer, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Northeast Multispecies Fishery; Amendment 7 [Docket No. 960216032–6138–03; I.D. 021296E] received June 5, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3414. A letter from the Attorney-Advisor, Federal Register Certifying Officer, Financial Management Service, transmitting the Service's final rule—Federal Process Agents of Surety Companies (RIN: 1510–AA49) received May 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

3415. A letter from the Director, Office of Government Ethics, transmitting the Office's final rule—Extension and Revocation of Post-Employment Waiver—received May 31, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

3416. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Transportation of Hazardous Materials By Rail; Miscellaneous Amendments (Research and Special Programs Administration) (RIN: 2137–AC66) received June 3, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3417. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations: Fort Myers Beach Offshore Grand Prix; Fort Myers Beach, FL (RIN: 2115–AE46) received June 3, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3418. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations: Augusta Southern National Drag Boat Races; Augusta, GA [CDG07–96–021] (RIN: 2115–AE46) received June 3, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3419. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations: Beaufort Water Festival, Beaufort, SC [CDG07–96–020] (RIN: 2115–AE46) received June 3, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3420. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Rules of Practice: Elimination of unnecessary provisions relating to representation, witnesses, and access to Board records (RIN: 2900–AI15) received June 5, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

3421. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Veterans Mortgage Life Insurance (RIN: 2900–AH54) received June 5, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

3422. A letter from the Board of Trustees, Federal Hospital Insurance Trust Fund, transmitting the 1996 annual report of the Board of Trustees of the Federal Hospital Insurance Trust Fund, pursuant to section 1817(b) of the Social Security Act, as amended. (H. Doc. No. 104–227); to the Committee on Ways and Means and ordered to be printed.

3423. A letter from the Board of Trustees, Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, transmitting the 1996 annual report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance Trust Funds, pursuant to section 201(c)(2) of the Social Security Act, as amended (H. Doc. No. 104–228); to the Committee on Ways and Means and ordered to be printed.

3424. A letter from the Chief, Regulations Branch, U.S. Customs Service, transmitting the Service's final rule—Rules for Determining the Country of Origin of a Good for Purposes of Annex 311 of the North American Free Trade Agreement (RIN: 1515–AB34) received May 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3425. A letter from the Secretaries of the Army and Agriculture, transmitting notification of the intention of the Departments of the Army and Agriculture to interchange jurisdiction of civil works and Forest Service lands at the Corps of Engineers project at Applegate Lake, OR, pursuant to 16 U.S.C. 505a, 505b; jointly, to the Committees on Agriculture and Transportation and Infrastructure.

3426. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Suspension, Debarment and Ineligibility for Contracts, Assistance, Loans and Benefits (FRL–5513–1) received May 30, 1996, pursuant to 5 U.S.C.

801(a)(1)(A); jointly, to the Committees on Commerce and Transportation and Infrastructure.

3427. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of the Department's intent to obligate funds for additional program proposals for purposes of nonproliferation and disarmament fund [NDF] activities, pursuant to Public Law 104–107, title II (110 Stat. 716); jointly, to the Committees on International Relations and Appropriations.

3428. A letter from the Board of Trustees, Federal Supplementary Medical Insurance Trust Fund, transmitting the 1996 annual report of the Board of Trustees of the Federal Supplementary Insurance Trust Fund, pursuant to section 1841(b) of the Social Security Act, as amended (H. Doc. No. 104–226); jointly, to the Committees on Ways and Means and Commerce, and ordered to be printed.

3429. A letter from the Assistant Attorney General of the United States, transmitting a draft of proposed legislation entitled the ''Anti-Gang and Youth Violence Control Act of 1996''; jointly, to the Committees on the Judiciary, Commerce, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

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

Mr. SOLOMON: Committee on Rules. House Resolution 446. Resolution providing for consideration of the bill (H.R. 3562) to authorize the State of Wisconsin to implement the demonstration project known as Wisconsin Works (Rept. 104–604). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. GILMAN: Committee on Ways and Means. H.R. 361. A bill to provide authority to control exports, and for other purposes, with an amendment; referred to the Committee on Ways and Means for a period ending not later than June 28, 1996, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(s), rule X (Rept. 104–605, Pt. 1). Ordered to be printed.

BILLS PLACED ON THE CORRECTIONS CALENDAR

Under clause 4 of rule XIII, the Speaker filed with the Clerk a notice requesting that the following bills be placed upon the Corrections Calendar:

[Omitted from the Record of June 4, 1996]

H.R. 2909. A bill to amend the Silvio O. Conte National Fish and Wildlife Refuge Act to provide that the Secretary of the Interior may acquire lands for purposes of that act only by donation or exchange, or otherwise with the consent of the owner of the lands.

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. OBERSTAR (for himself, Mr. WISE, Mr. LIPINSKI, Mr. DEFAZIO, Mr. CLEMENT, Mr. NADLER, Mr. MENENDEZ, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. MASCARA, and Mr. CUMMINGS):

H.R. 3578. A bill to reform the safety practices of the railroad industry, to prevent railroad fatalities, injuries, and hazardous materials releases, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mrs. CUBIN:

H.R. 3579. 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 Resources.

By Mr. FAWELL (for himself, Mr. GINGRICH, Mr. ARMEY, Mr. DELAY, Mr. BOEHNER, Mr. BALLENGER, Mr. BARRETT of Nebraska, Mr. CUNNINGHAM, Mr. HOEKSTRA, Mr. HUTCHINSON, Mr. KNOLLENBERG, Mr. GRAHAM, Mr. FUNDERBURK, Mr. GOSS, and Mrs. SEASTRAND):

H.R. 3580. A bill to ensure that employees who work under a security agreement that requires such employees to pay union dues as a condition of employment have a right to object to the use of their dues for political, legislative, social, or charitable purposes; to the Committee on Economic and Educational Opportunities.

By Mr. HASTINGS of Washington:

H.R. 3581. A bill to facilitate a land exchange involving private land within the exterior boundaries of Wenatchee National Forest in Chelan County, WA; to the Committee on Resources.

By Mrs. LOWEY:

H.R. 3582. A bill to permit individuals to continue health plan coverage of services while participating in approved clinical studies; to the Committee on Commerce.

H.R. 3583. A bill to amend the Public Health Service Act to provide, with respect to research on breast cancer, for the increased involvement of advocates in decision making at the National Cancer Institute; to the Committee on Commerce.

By Mrs. LOWEY (for herself and Mrs. MORELLA):

H.R. 3584. A bill to amend the Internal Revenue Code of 1986 to provide a credit for employers for certain costs incurred to combat violence against women; to the Committee on Ways and Means.

By Mrs. LOWEY (for herself and Mr. GILMAN):

H.R. 3585. A bill to amend title XVIII of the Social Security Act to provide for coverage of respite care services under part B of the Medicare Program, to amend the Internal Revenue Code of 1986 to treat qualified long-term care services as medical care, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MICA:

H.R. 3586. A bill to amend title 5, United States Code, to strengthen veterans' preference, to increase employment opportunities for veterans, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. NADLER:

H.R. 3587. A bill to amend the Public Health Service Act to provide additional support for and to expand clinical research programs, and for other purposes; to the Committee on Commerce.

By Mr. OBEY (for himself, Mr. DELLUMS, and Ms. SLAUGHTER):

H.R. 3588. A bill to amend the Federal Election Campaign Act of 1971 to provide for expenditure limitations and public financing for House of Representatives general elections, and for other purposes; to the Committee on House Oversight, and in addition to the Committee on Ways and Means, 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. PETRI:

H.R. 3589. A bill to amend title 13, United States Code, to make clear that no sampling or other statistical procedure may be used in determining the total population by States for purposes of the apportionment of Representatives in Congress; to the Committee on Government Reform and Oversight.

By Mr. POMEROY:

H.R. 3590. A bill to prevent discrimination against victims of domestic abuse in all lines of insurance and in group health plans; to the Committee on Commerce, and in addition to the Committee on Economic and Educational Opportunities, 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. STARK (for himself and Mr. MATSUI):

H.R. 3591. A bill to amend title XVIII of the Social Security Act to reduce the amount of the premium charged for enrollment in part A of the Medicare Program for individuals not receiving third-party assistance in payment of the premium; to the Committee on Ways and Means.

By Mr. FAZIO of California:

H. Res. 447. Resolution designating the minority membership on certain standing committees of the House; considered and agreed to.

ADDITIONAL SPONSORS

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

H.R. 38: Ms. MCKINNEY.

H.R. 103: Mr. BENTSEN, Mr. GILLMOR, and Mr. GEKAS.

H.R. 127: Mr. CONDIT, Mr. GREEN of Texas, Mr. SMITH of New Jersey, Mr. FLANAGAN, Mr. EMERSON, and Mr. NORWOOD.

H.R. 303: Mr. ANDREWS.

H.R. 350: Ms. KAPTUR.

H.R. 969: Mr. MARKEY.

H.R. 972: Mrs. KELLY.

H.R. 1024: Mr. SMITH of New Jersey.

H.R. 1090: Mr. ENGLISH of Pennsylvania, Mr. MANTON, and Mr. WYNN.

H.R. 1161: Mr. OXLEY.

H.R. 1884: Mrs. LOWEY.

H.R. 2019: Mr. SCHIFF and Mr. RAHALL.

H.R. 2026: Mr. HYDE, Mr. TORRES, Mr. CUMMINGS, Mr. WYNN, Mr. OLVER, Mr. TEJEDA, and Mr. CRANE.

H.R. 2080: Ms. FURSE, Mr. MCHALE, Mr. DELLUMS, Mr. LATOURETTE, Mr. YATES, and Ms. RIVERS.

H.R. 2193: Ms. WOOLSEY, Ms. PELOSI, Mr. HORN, Mr. CONDIT, Mr. NEY, and Mr. BROWN of California.

H.R. 2199: Mr. WHITFIELD.

H.R. 2200: Mr. GANSKE, Mr. POMEROY, and Mr. MCCOLLUM.

H.R. 2246: Mr. TORRES, Mr. ACKERMAN, Mrs. CLAYTON, Mr. RANGEL, Mr. MANTON, and Ms. NORTON.

H.R. 2270: Mr. RIGGS.

H.R. 2400: Mr. GILCHREST, Mr. HOLDEN, and Mr. BARTLETT of Maryland.

H.R. 2434: Mr. FOLEY, Mr. STEARNS, Mr. GIBBONS, Mr. FAWELL, Mr. PETE GEREN of

Texas, Mr. WILSON, Mr. STOCKMAN, Mr. TEJEDA, Mr. CRANE, and Mr. JEFFERSON.

H.R. 2497: Mrs. MEYERS of Kansas, Mr. TIAHRT, Mr. KIM, and Mr. WICKER.

H.R. 2540: Mr. SOLOMON and Mrs. CUBIN.

H.R. 2727: Mr. LIVINGSTON, Mr. BUNN of Oregon, Mr. DREIER, and Mr. MCINTOSH.

H.R. 2856: Mr. MARKEY.

H.R. 2900: Mr. BOEHLERT, Mr. LONGLEY, Mr. PETRI, Mr. COLLINS of Georgia, Mr. VOLKMER, and Mr. GEPHARDT.

H.R. 2927: Mr. KING.

H.R. 2976: Mr. BARTLETT of Maryland, Mr. MOLLOHAN, Mr. SOLOMON, Mr. SMITH of New Jersey, and Mr. WYNN.

H.R. 3012: Mrs. VUCANOVICH, Mr. GORDON, Mr. FUNDERBURK, Mr. WISE, and Mrs. CLAYTON.

H.R. 3083: Mr. COOLEY and Mr. BURR.

H.R. 3089: Mr. MORAN.

H.R. 3107: Mr. SABO, Mr. STOCKMAN, Mr. PASTOR, Mr. MARTINI, Ms. WOOLSEY, Mrs. KENNELLY, Mrs. SCHROEDER, Mr. ANDREWS, Mrs. MORELLA, Mrs. SMITH of Washington, Mr. CHAPMAN, Mr. DOOLEY, Mr. KENNEDY of Massachusetts, Mr. MARTINEZ, Mr. POMEROY, Mr. CUMMINGS, Ms. MCCARTHY, Mr. BROWDER, Mrs. VUCANOVICH, Mr. PETERSON of Minnesota, Mr. SCARBOROUGH, Mr. TALENT, Mr. COSTELLO, and Mr. WELLER.

H.R. 3118: Mr. QUINN, Mr. MCDERMOTT, Mrs. KELLY, Mr. WISE, and Mr. JOHNSON of South Dakota.

H.R. 3153: Mr. KNOLLENBERG.

H.R. 3161: Mr. EWING and Mr. FORBES.

H.R. 3173: Mr. PASTOR.

H.R. 3178: Mr. NADLER

H.R. 3184: Mr. BAESLER.

H.R. 3294: Mr. JACOBS, Mr. WAXMAN, and Ms. WOOLSEY.

H.R. 3345: Mr. HUTCHINSON.

H.R. 3393: Mr. TORKILDSEN.

H.R. 3396: Mr. CUNNINGHAM, Mr. PETERSON of Minnesota, Mr. WOLF, Mr. PARKER, Mr. ZELIFF, Mr. LINDER, Mr. CHABOT, Mr. TATE, Mr. DICKEY, Mr. TAYLOR of Mississippi, Mr. MCINTOSH, Mr. BALLENGER, Mr. SKEEN, and Mr. CANADY.

H.R. 3398: Mr. MANTON, Mr. KLECZKA, and Mrs. MEYERS of Kansas.

H.R. 3421: Mr. HUNTER and Mr. LIPINSKI.

H.R. 3425: Mr. BARRETT of Wisconsin.

H.R. 3447: Mrs. SEASTRAND, Mr. COBURN, and Mr. CHRISTENSEN.

H.R. 3449: Mr. COBURN, Mr. FIELDS of Texas, and Mr. STUMP.

H.R. 3480: Mr. EWING, Mr. EVERETT, and Mr. FOLEY.

H.R. 3508: Mr. GREENWOOD, Mr. GUNDERSON, Mr. TORRICELLI, and Mr. EVANS.

H.R. 3532: Mrs. COLLINS of Illinois.

H. Con. Res. 83: Mr. BONIOR.

H. Con. Res. 163: Mr. ACKERMAN.

H. Con. Res. 169: Mr. SENSENBRENNER, Mr. CALVERT, Mr. NORWOOD, Mr. RADANOVICH, Mr. DUNCAN, Mr. GEKAS, Mr. COX, Mr. CREMEANS, and Mrs. MEYERS or Kansas.

H. Res. 286: Ms. JACKSON-LEE.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3540

OFFERED BY MR. OBEY

AMENDMENT NO. 76: On page 97, after line 5, insert:

''SEC. 573. Not more than $100,000,000 of the funds made available under the heading ''Foreign Military Financing Program'' may be made available for us in financing the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act to countries other than Israel and Egypt.''

H.R. 3540

OFFERED BY: MR. PAYNE OF NEW JERSEY

Amendment No. 77: Page 7, line 4, after ''$600,000,000'' insert ''(decreased by $118,000,000)''.

Page 7, line 21, strike ''and chapter 10 of part I''.

Page 7, line 22, after ''$1,150,000,000'' insert ''(decreased by $586,000,000)''.

Page 9, after line 18, insert the following:

DEVELOPMENT FUND FOR AFRICA

For necessary expenses to carry out the provisions of chapter 10 of part I of the Foreign Assistance Act of 1961, $704,000,000, to remain available until September 30, 1998.

H.R. 3540

OFFERED BY: MR. ROEMER

AMENDMENT NO. 78: Page 97, after line 5, insert the following:

CONFLICT IN CHECHNYA

SEC. 573. (a) FINDINGS.—The Congress finds that following:

(1) Russian troops advanced into Chechnya on December 10, 1994, and were met with strong resistance from Chechen rebels who have now moved to the Caucasus mountains where they remain entrenched in a conflict that has claimed the lives of as many as 40,000 Chechens and as many as 5,000 Russian troops.

(2) Chechen President Dzhokar Dudayev was killed by a Russian helicopter-launched rocket on April 22, 1996. Chechen rebels retaliated by ambushing a Russian military convoy which claimed the lives of an additional 100 Russian troops.

(3) The cost of the Chechen battle is estimated to cost the Government of Russia as much as $6,000,000,000 and will further exacerbate its budget deficit. The budget implications of the war may compel the International Monetary fund, in which the United States is the largest shareholder, to abandon its efforts to assist Russia in its transforming itself to a free market economy and democracy.

(4) The United States has provided the Government of Russia with significant direct assistance and loan guarantees to promote a free market economy, support democracy, meet humanitarian needs, and dismantle nuclear weapons. The brutality of Russian forces in Chechnya undermines Russia's justification of territorial integrity and subverted its democratization efforts.

(b) DECLARATION OF POLICY.—The Congress declares the following:

(1) United States investment in Russia has been significant in promoting democracy and stabilizing the economy of Russia and this progress has been imperiled by Russia's continued aggression in Chechnya.

(2) The inability to negotiate an end to this crisis and the resulting economic implications could adversely affect the ability of Russia to fulfill its commitments to the International Monetary Fund, the Export-Import Bank of the United States, and the Overseas Private Investment Corporation.

(3) The United States applauds President Yeltsin's recent decision to implement a cease-fire agreement with Chechnya effective May 31, 1996. Further, the United States commends specific provisions of the cease-fire agreement resulting in the removal of Russian troops from Chechen territory, disarmament of Chechen separatists, and prisoner exchanges.

(4) The United States also welcomes the effort to resume negotiations over Chechnya's final political and territorial status.

(5) The United States remains committed to supporting President Yeltsin and Chechen leader Selimkhan Yandarbiyev for purposes of promoting a permanent cease-fire and lasting peace in Chechnya.

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Senate

The Senate met at 9:15 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

Almighty God, Sovereign of this Nation, we begin the work of this day with an acute sense of our accountability to You. We claim Solomon's promise, ''In everything you do, put God first, and He will direct you and crown your effort with success''.—Prov. 3:6. In response, we say with the psalmist, ''May the words of our mouths and the meditation of our hearts be pleasing in Your sight, O Lord''.—Psalm 19:14. Help us remember that every thought we think and every word we speak is open to Your scrutiny. We commit this day to love You with our minds and honor You with our words. Guide the crucial decisions of this day. Bless the Senators with Your gifts of wisdom and vision. Grant them the profound inner peace that results from trusting You completely. Draw them together in oneness in diversity, unity in patriotism, and loyalty in a shared commitment to You. In the name of our Lord. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, Senator LOTT, from Mississippi, is recognized.

SCHEDULE

Mr. LOTT. Mr. President, this morning the Senate will be in a period of morning business until the hour of 11 a.m. I believe the Senator from Delaware, Senator ROTH, is prepared to begin speaking immediately. Following morning business, the Senate will begin debate on House Joint Resolution 1, the balanced budget constitutional amendment.

Senators are reminded that a vote on passage on the balanced budget amendment will occur at 12 noon tomorrow by unanimous consent. It is also possible that the Senate may consider other legislative or Executive Calendar items that can be cleared for action. I know that the distinguished majority leader, Senator DOLE, has been working to see if some of these executive items can be cleared. We hope that can be worked out during this week.

I yield the floor.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. INHOFE). Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11 a.m., with Senators permitted to speak for not to exceed 5 minutes each. The Senator from Delaware, [Mr. ROTH], is recognized for 30 minutes.

UNCONDITIONAL MFN STATUS FOR CHINA

Mr. ROTH. Mr. President, I rise to talk about why I believe every Member of this Chamber should support the unconditional extension of most-favored-nation trading status to the People's Republic of China. As we are all aware, Senator DOLE declared his support for unconditional extension of MFN for China sometime ago. More recently, the President announced he would renew China's MFN status unconditionally for another year.

Now the matter comes before the Congress. We have to decide whether or not Senator DOLE's position and the President's decision deserve our support. The Chinese, of course, have not made this issue easy for us. Their destabilizing nuclear, chemical, and missile sales, their continued nuclear testing, their assertiveness in the South China Sea, their growing trade surplus with the United States, their piracy of our intellectual property, their military threats against Taiwan, their moves to undermine democratic reforms in Hong Kong, and their abuses of human rights, these all demand a stern reply.

That is why it is tempting to revoke China's MFN status. But it would be a huge mistake to do so. I say this for four reasons.

First, revoking MFN would put at risk hundreds of thousands of American jobs, and billions of dollars worth of American exports and investments.

Second, revoking MFN is an ineffective weapon that would not solve any of the problems we have with China. Indeed, revocation may make them worse.

Third, more proportional, targeted measures currently available permit a more effective response to these problems.

Finally, extending MFN is fundamental to developing a coherent China policy—one that sets priorities and provides a strategic framework for the conduct of our relations with that important country. Mr. President, the United States, East Asia, and the entire world have much to gain from a positive relationship between Washington and Beijing and much to lose from an unnecessarily confrontational one.

Before going into more detail about these four points, I believe it necessary to clarify the meaning of the term, ''most-favored-nation trading status.'' That's because the term gives the false impression that MFN is some sort of special privilege or reward.

The term even confuses our most prestigious newspapers. In their stories on the President's announcement to renew China's MFN status, the Wall Street Journal, the Washington Post,

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

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the New York Times, and the Los Angeles Times all incorrectly described MFN as a ''privilege'' or in some way preferential or favorable.

In fact, MFN is not a special privilege or reward. It designates the most ordinary, most normal trading relationship among countries. Specifically, MFN refers to the uniform tariff treatment that the United States applies to virtually every country in the world.

For example, if the U.S. tariff on imported clock radios is 5 percent, all clock radios imported from countries with MFN status are subject to a 5-percent tariff. Imports from countries that do not have MFN status—and there are only six countries that fall into this category—are subject to far higher duty rates.

Another important point about MFN is that it is not a one-way street. When we give MFN status to a particular country, that country, in return, gives the United States most-favored-nation status.

Therefore, because we give Singapore MFN status, the clock radios we import from that country are subject to the same tariff rates as clock radios from Thailand, Spain, or any other country to which we extend MFN.

In return, when Singapore imports our computer chips, it imposes the same tariff on United States chips as those imported from Japan, Korea, Great Britain, or any other country to which it extends MFN.

What does the United States get out of all this? American companies get to compete on fair and equal terms with their foreign rivals.

Let me emphasize again: MFN status does not confer—let alone imply—special treatment.

In fact, when we decide to give special treatment to imports from other countries—as Congress has expressly chosen to do for certain products from over 130 nations—those imports are subject to tariff rates substantially below the MFN rate. Sometimes we even allow specified countries to export products to the United States duty free.

In short, MFN status denotes the standard, not the exceptional, trading relationship. Ending this standard trading relationship by revoking MFN is an extreme measure. In fact, because MFN is so fundamental to trade relations among countries, some correctly liken its withdrawal to a declaration of economic war.

These are the facts about MFN. Anyone who maintains that we do China a special favor when we renew its MFN status is either misinformed or disingenuous.

Because of the confusion created by the phrase, ''most-favored-nation trading status,'' I am working with Senator MOYNIHAN to replace the phrase in U.S. statute with a more suitable term, one that underscores the unexceptional nature of the MFN concept. I believe that if we adopt such a change in terminology, we will all better understand the issue, and our debate will be more constructive.

Now, I want to stress that those who favor MFN renewal, such as myself, share most, if not all, of the same goals as those opposed to MFN renewal.

We, too, want Beijing to cease its destabilizing nuclear, chemical, and missile sales. We, too, want China to end its nuclear testing. We, too, want China to resolve peacefully its territorial disagreements in the South China Sea. We, too, want China to lower barriers to U.S. exports and reduce its trade surplus with the United States. We, too, want China to end its piracy of our intellectual property. We, too, want China to end its military threats against Taiwan and resolve its differences with Taipei peacefully. We, too, want China to follow faithfully the dictates of the Sino-British Declaration on Hong Kong. We also want China to cooperate with us in addressing serious global concerns such as environmental degradation, transnational crime, and narcotics trafficking. And we, too, want China to respect the basic human rights of its citizens.

Where we differ from the opponents of MFN is on how to achieve these goals.

The simple fact is that there is absolutely no evidence that the drastic action of withdrawing MFN will force China to satisfy any of our objectives. Indeed, sanctioning China by withdrawing MFN runs the great risk of making that country more belligerent and less cooperative on these and other issues.

Keep in mind that experience shows that unilateral trade sanctions generally don't work. The chances of success only improve when sanctions are applied in cooperation with our major allies. However, not one of these allies—not Canada, not the European Union, not Japan, not Australia—is debating whether to withdraw MFN status from China. That's because they all know withdrawal is neither a constructive nor effective option for inducing the Chinese to change their behavior. In addition, they understand the tremendous cost of withdrawing MFN status, a cost we ignore at our peril.

Let's be clear on this point. If we revoke MFN for China, Beijing would certainly be hurt, but so, too, would the United States.

As a result of withdrawing MFN, United States duties on goods imported from China would immediately rise to the tariff rates established under the highly protectionist, Depression-era Smoot-Hawley tariff law. Chinese imports, which currently face an average tariff rate of 6 to 8 percent, will be subject to an average tariff rate of 40 to 50 percent, with the tariff rates for certain items exceeding 100 percent.

Because MFN is provided on a reciprocoal basis, China would respond to higher tariffs on its goods by slapping higher tariffs on United States goods. Such a move will slam the door shut on United States exports to the Chinese market—the fastest growing market in the world. These U.S. exports totaled almost $12 billion in 1995 and supported approximately 200,000 high-skilled, high-wage American jobs in critical sectors such as the aircraft, telecommunications, and automotive equipment industries.

Business conducted by United States companies in China will go instead to the Europeans, the Japanese, the Canadians, and firms from all the other countries in the world which continue normal commerical relations with China.

In addition to severely damaging United States exporters, the small and large American firms that have invested billions of dollars to penetrate the Chinese market would see their efforts and investments gravely jeopardized.

Some claim, of course, that in the event China's MFN status is withdrawn, those billions of dollars of United States investments in China will be brought back to the United States. The reality is, however, that United States companies forced out of China are far more likely to move those investments to other developing countries in Asia or Latin America.

The economic fallout from withdrawing China's MFN status is not only going to hit American companies, but also American consumers. Our lowest income citizens, in particular, would suffer from the dramatically higher prices they will have to pay for a variety of basic goods as a direct result of the imposition of substantially higher duties on Chinese imports.

Mr. President, some claim that pricing Chinese goods out of our market through higher duties would be beneficial. They maintain that we would eliminate our trade deficit with Beijing because the products we now import from China would be produced in the United States.

Let us be realistic. It is a mistake to think that most of what we import from China would be produced in the United States. The truth is that in most cases imports from other developing countries would be substituted for imports from China.

Moreover, it does not make any sense to try to reduce the trade deficit by ending all trade, as would likely happen if we revoke China's MFN status. You may get a balance of trade—zero imports and zero exports—but at a cost of hundreds of thousands of good, high-paying U.S. jobs and billions of dollars of U.S. exports.

The only way to reduce the trade deficit and retain American jobs and exports is to ensure that United States products have the same access to the Chinese market that Chinese products have to ours. This is not an easy task. But revoking normal trade relations with China would make it impossible.

While I believe the threat to United States jobs and exports alone provides a convicing reason to support renewal of China's MFN status, there are other

compelling arguments for unconditional renewal.

In particular, cutting ourselves off from China by withdrawing its MFN status will end any ability the United States has to directly influence developments in China, including how China treats its citizens and whether it permits the development of a freer society and more democratic political system.

United States businesses help advance human rights and civil society in China by being there, not by leaving or by being shut out. United States companies operating in China observe basic worker rights in dealings with their local employees. United States companies provide Chinese citizens with opportunities unheard of before China began to open its economy and society to the outside world in 1978. United States companies teach their Chinese employees the valuable lessons of American business culture, including independent decisionmaking and enterpreneurial skills.

Among other reasons, that's why Martin Lee, the Hong Kong legislator and human rights advocate; Hong Kong Gov. Chris Patten and Wei Jingsheng, the prominent Chinese dissident who has suffered for so long from state persecution, all support renewal of MFN for China.

Moreover, that is why the Taiwanese—who are not shy about voicing their opinions on China to Members of Congress—have not advocated revoking MFN. And that's why the countries of the Association of Southeast Asian Nations, four of whose members have territorial disputes with China, have not come to Capitol Hill to press the United States to revoke China's MFN status.

Mr. President, I think that it is the height of arrogance for opponents of MFN to assert that they know better than Martin Lee, Wei Jingsheng, the Taiwanese, and the countries of ASEAN, how to change China's behavior.

Indeed, as they know, there is ample evidence that the mere threat of revoking MFN will make China less cooperative and more confrontational.

For example, several weeks ago, China announced for the first time that it would buy several billion dollars worth of passenger jets from the European consortium, Airbus. This action was a deliberate repudiation of Boeing, meant to send us the message that revocation of MFN will result in costly economic retaliation.

Shortly thereafter, in an action designed to send us a signal on the security implications of recklessly confronting Beijing, China struck a deal with Russia to develop a long-term strategic partnership.

These actions indicate some of the problems and consequences we would face if we use the sledge-hammer approach of revoking MFN.

Keep in mind that the President already has specific, measured and targeted tools at his disposal that allow him to address our problems with China without resorting to the indiscriminate and destructive approach of revoking MFN.

For example, we are currently preparing to hit China with trade sanctions on $2 billion worth of specified Chinese imports because of Beijing's failure to honor its agreement with the United States to crack down on Chinese companies making pirated knockoffs of American music, movies, and computer software.

Similarly, we can invoke targeted section 301 sanctions for other discrete discriminatory and unreasonable Chinese trade practices.

When China illegally sells nuclear technology, we can apply sanctions which are specified by the Nuclear Proliferation Prevention Act.

We can counter China's threats to Taiwan by considering sales of upgraded defensive weaponry to Taipei, as well as by reaffirming our unwavering commitment to a peaceful resolution of the dispute between Taiwan and China in the context of our one-China policy, a policy which has been supported by each of our last six Presidents.

We can rely on international law and the shared interests of the countries of Southeast Asia to counter aggressive Chinese territorial claims.

And we can continue to expose and condemn China's repressive human rights record in this Chamber and in organizations around the world.

The range of tools available to respond to specific problems with China is considerable. At the same time, however, their breadth reveals a fundamental weakness in our overall approach to our relations with Beijing—the absence of an effective, broadly based, clearly articulated and carefully coordinated China policy that sets priorities and guides our use of these tools.

I agree with those who say that the rise of China presents us with a serious foreign policy challenge. But it also presents us with enormous opportunities. We can only respond to that challenge adequately and seize those opportunities through a sensible overall China policy, one that enhances the chance of creating a positive bilateral relationship. The clear objective of that policy should be to encourage China's constructive and responsible behavior and discourage aggressiveness and irresponsibility.

The absence of a coherent China policy results in large measure from short-sighted political considerations. For example, the 1992 Clinton campaign rhetoric about coddling dictators in Beijing left the Clinton administration little room to maneuver on China policy. Early on, the President indicated he would link human rights issues to the MFN decision. The following year, however, he was forced to reverse himself and announced the two issues would not be linked.

Similarly, in 1994, the Clinton administration refused Taiwan President Li the ability to play a round of golf in Hawaii while in transit to Costa Rica. But in 1995, the administration granted him a visa to visit Cornell University immediately after telling the Chinese it would not do so because such an act would violate our one-China policy.

These and other mixed signals from the administration, as well as the cacophony of voices from Capitol Hill on how to deal with China, have left the United States with a dangerously muddled China policy.

Without question, if the United States had a better sense of its priorities and aims in the United States-China relationship, and a clearly articulated China policy that reflects those priorities, we would be better able to influence Chinese behavior. Moreover, the tools we currently have available to respond to Chinese misconduct would be more effective when used in the context of a coherent China policy.

In brief, I believe such a policy must have four central elements. First, we must expand our economic relationship with Beijing, because a China integrated into the global economy is more likely to behave in ways more compatible with American interests and international norms. Thus, we should seek to encourage China's development and participate in its economic growth. That's why I assign importance to China gaining entry into the World Trade Organization based on commercial considerations and GATT principles.

The more China is integrated into the international economy, the more subject Beijing is to the harsh realities of the marketplace. Should China choose a path toward blatant aggression and destabilizing domestic repression, foreign investment will dry up and firms will move to other countries where the risks are lower and the returns are higher.

Moreover, we have a better opportunity to influence China to act in ways we prefer when we enmesh it in the sort of economic relationships fostered by most-favored-nation trade status. Renewing MFN thus is absolutely central to an effective China policy.

In addition, the economic growth fostered by participation in the global economy almost inevitably leads to greater demands for democratic reforms. Other Asian countries, such as South Korea, Taiwan, and Thailand, have amply demonstrated the political evolution that accompanies economic development.

The second element of a coherent China policy is the resumption of high-level, regular dialog with China. I was delighted to see that in his speech on China 2 weeks ago, Secretary Christopher accepted Senator DOLE's suggestions on this matter. After all it has been 7 years since an American President went to Beijing for summit talks, and 8 years since a Chinese leader has been in this country for a summit. Mistrust is bound to grow when we do not

meet, particularly when the list of critical bilateral, regional, and global issues requiring discussion is so long.

Third, we must nurture aspects of the relationship where we share interests and can cooperate for our common good. For example, China played a useful role in bringing relative peace and stability to Cambodia. Moreover, China has the potential to play a key role in settling the serious threat posed by North Korea to the South, as well as the 47,000 American troops we have on the ground there. I cannot envision Beijing cooperating with us on North Korea if we revoke China's most-favored-nation trade status. Indeed, I cannot imagine the Chinese playing a constructive role on any matter of mutual importance—from protecting the environment to controlling transnational crime and narcotics trafficking—if we simply continue to threaten and sanction them.

The fourth element of any coherent China policy must include preparedness to deal with China if its participation in world affairs proves disruptive. Strengthening our current array of bilateral security ties in Asia is thus essential. In addition, I believe we must look more closely at the possibility of creating effective regional security arrangements.

Closer cooperation on security and diplomatic initiatives with nations in the Asia Pacific that share our interests on China would serve to prod Beijing to accept the moderating influence of global economic integration. It would also provide a hedge in the event Beijing instead chooses a more aggressive path.

In sum, continued economic relations with China, high-level dialog, cooperation with China on matters of mutual concern, and strengthened security and diplomatic ties with the rest of Asia should, in my opinion, form the basis of any effective China policy.

Mr. President, some claim that the decision we face on renewing MFN can be reduced to a question of whether ''our lust for trade exceed(s) our loathing of tyranny.''

This argument is disingenuous and the question is simply wrong. The right question is whether taking the draconian step of revoking China's MFN status is worth the potentially huge cost to the United States, especially when this action has an extremely remote chance of achieving its aims. I await a response to this question from the opponents of China's MFN renewal.

Mr. President, I must stress again that the United States, East Asia, and the entire world have much to gain from Washington and Beijing achieving a positive relationship, and much to lose should bilateral relations further deteriorate unnecessarily. Renewing MFN for China is only a step—but an extraordinarily important one—toward building a fruitful bilateral relationship. Therefore, Mr. President, I urge my colleagues in the strongest possible terms to support unconditional renewal of MFN for China.

Mr. MOYNIHAN. Mr. President, as the distinguished chairman of the Finance Committee has so clearly stated, discussions of American foreign trade policy are increasingly bedeviled by the use of an 18th century term, most favored nation, to describe trade agreements reached with other nations. The most favored nation involved is not the nation with which we are negotiating, but rather a third nation altogether which happens to have the lowest tariff, or whatever, with respect to some product or other. The United States agrees to give to country X whatever terms are the best terms it gives to some third country. Whichever that might be.

This issue arises for the simple reason that the last tariff schedule enacted by statute was the Smoot-Hawley Tariff Act of 1930, with the highest tariff rates, overall, in American history. In response to the disaster that followed the Roosevelt administration began a series of trade treaties entered into as executive agreements. This arrangement continues to this day. As a result, nations entering the Western trading regime, which is to say, in the main, former or current Communist nations, must receive the treatment accorded under the GATT or the WTO, or else Smoot-Hawley. Granting the former status is no sign of favor, simply of normal trade relations.

For more than two centuries this has been our practice, but only recently has the term caused public misunderstanding. What we mean is that we will confer on country X normal trading relations. The time has come, then, to say so. We grant country X normal trade relations (NTR) in return for country X treating us in the same manner. Which is to say, NTR.

Just last month the Finance Committee acted on legislation to grant permanent most-favored-nation treatment to Bulgaria and Cambodia. Yesterday, the Trade Subcommittee held a hearing regarding Romania's MFN status, and tomorrow the committee will hear witnesses speak to questions surrounding the granting of most-favored-nation treatment to China. If one read the headlines, one might believe these four countries to be the most important in all of American trade policy.

But not at all. As the chairman has just said, MFN treatment is not special treatment. Countries to which we grant this supposed most favored treatment are not, in fact, the most preferred in our trade relations. When we undertake an obligation to provide most-favored-nation treatment to another country, we simply agree to give that country the same treatment that we give the great majority of our trading partners. The rationale is that, if every country observes this principle, all countries will benefit in the long run through the resulting more efficient use of resources.

Indeed, there is no single most favored nation in our trade policy. As noted in a 1919 report to the Congress by the U.S. Tariff Commission, now the U.S. International Trade Commission,

> It is neither the purpose nor the effect of the most-favored-nation clause to establish a ''most-favored nation;'' on the contrary its use implies the intention that the maximum of advantages which either of the parties to a treaty has extended or shall extend to any third State—for the moment the ''most-favored''—shall be given or be made accessible to the other party. . . . ''Reciprocity and Commercial Agreements,'' United States Tariff Commission, 1919.

In fact, over time, we have developed a great variety of relations with our trading partners. We have agreed to free trade with Canada, Israel, and Mexico. We offer special benefits to countries of the Caribbean and Andean regions. We have a longstanding policy of duty-free treatment for imports from developing countries under the Generalized System of Preferences. If one really wants to identify a most favored country, one certainly must take note of these relationships, which are all more advantageous than general most-favored-nation treatment.

MFN is a principle from the past. The concept has been traced to 12th century arrangements between trading cities of the Mediterranean and the Arab princes of North Africa, although the phrase most-favored-nation did not appear until the end of the 17th century. In United States law, the principle was first recognized in the 1778 commercial treaty between the United States and France, stating:

> The Most Christian King and the United States engage mutually not to grant any particular favor to other nations, in respect of commerce and navigation, which shall not immediately become common to the other party. . . .

Thereafter, an MFN clause became a standard element of treaties of friendship, commerce, and navigation, the early formal bilateral economic treaties of the United States. In essence, this was our mechanism for assuring fair and equal treatment for the trade of the United States. Over time, an ever-lengthening chain of commercial agreements, incorporating the MFN obligation, reduced barriers and increased trade. Ultimately, this basic principle was adopted in 1947 as the central obligation of the General Agreement on Tariffs and Trade—article I, part I of the ''GATT 1947''. It continues central to the World Trade Organization created in 1994—article I, part I of the ''GATT 1994''.

But, as the GATT has been succeeded by the WTO, so it is time to consider a successor term to MFN. A term that recognizes that, in the modern world, it is the norm, not the exception, to treat our trading partners equally. Senator ROTH and I, along with Senator CHAFEE, would propose for the Senate's consideration a more accurate term—''normal trade relations.'' Shortly, we will introduce legislation changing U.S. law, as necessary and appropriate.

THE NATO ENLARGEMENT FACILITATION ACT OF 1996

Mr. ROTH. Mr. President, I have long been a supporter of the transatlantic community of nations and its cornerstone institution, NATO. And today I wish to express my support for the NATO Enlargement Facilitation Act of 1996—extremely important legislation which I also cosponsor.

This bill is designed specifically to support and foster the careful, gradual extension of NATO membership to the nations of Central and Eastern Europe. If passed, this bill would direct tangible assistance to the efforts of Poland, the Czech Republic, and Hungary to join the alliance. These nations are the most prepared of their region for the responsibilities and burdens of NATO membership.

Equally important, it is the intent of the authors of this bill to assist other Central and Eastern European countries whose economies and democracies have sufficiently progressed to move forward toward eventual NATO membership.

Such a policy is absolutely necessary to ensure that NATO's acceptance of Polish, Czech, and Hungarian applications for membership not create new divisions in Europe, but is instead part of an inclusive and on-going process that will extend to the entire community of European nations.

Extending the alliance's membership to Poland, the Czech Republic and Hungary, will help transform Central and Eastern Europe into a cornerstone of enduring peace and stability in post-cold-war Europe. It would do so for the following reasons:

First, the NATO enlargement would project security into a region that has long suffered as a security vacuum in European affairs. History has repeatedly shown us that the strategic vulnerability of Central and Eastern Europe has produced catastrophic consequences—consequences that drew the United States twice this century into world war.

Second, NATO enlargement would help facilitate the economic and political integration of Central and Eastern Europe into the transatlantic community of nations. Passage of our NATO enlargement legislation would demonstrate America's commitment to consolidating an enlarged Europe. This would give more incentive to all the nations of the region to continue their political and economic reforms by demonstrating that these reforms do result in tangible geopolitical gains.

By projecting stability into Central and Eastern Europe, NATO enlargement would reinforce the regional stability necessary for nations to focus on internal political and economic reform. Mr. President, security is not an alternative to reform, but it is essential for reform to occur.

Third, two great European powers, Germany and Russia, are now undergoing very complex and sensitive transformations. Their futures will be significantly shaped by the future of Central and Eastern Europe. Extending NATO membership to nations of this region will reinforce the positive evolutions of these two great powers.

In the case of Germany, NATO enlargement would further lock German interests into a transatlantic security structure and further consolidate the extremely positive role Bonn now plays in European affairs.

The extension of NATO membership to Central and East European nations would also be of great benefit to Russia. By enhancing and reinforcing stability and peace in Central and Eastern Europe, NATO enlargement would make unrealistic calls by Russia's extremists for the revitalization of the former Soviet Union or the westward expansion of Russian hegemony. Greater stability along Russia frontiers will enable Moscow to direct more of its energy toward the internal challenges of political and economic reform.

This point is too often forgotten in this debate. There has been too strong a tendency in United States policy to overreact to outdated Russian sensitivities. This overreaction comes at the expense of strategic realities and objectives central to the interests of the alliance, as well as to the United States.

I would also like to note that this NATO enlargement legislation reflects the attitudes of many of our parliamentary counterparts in Europe. The North Atlantic Assembly, a gathering of legislators from the 16 nations of NATO, adopted at the end of 1994, my resolution calling for the extension of membership in the alliance to Poland, the Czech Republic, and Hungary.

Mr. President, America's defense and security must be structured to shape a strategic landscape that enhances economic, political, and military stability all across Europe. Careful and gradual extension of NATO membership to nations of Central and Eastern Europe is a critical step toward this end. This is in our national interest. It is action long overdue, and it is the intent of the NATO Enlargement Facilitation Act of 1996.

For these reasons, I call upon my colleagues in the Senate, as well as President Clinton and his administration, to embrace this legislation.

Mr. President, I yield the floor.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey [Mr. BRADLEY] is recognized to speak for up to 40 minutes.

RACE FOR THE CURE

Mr. BRADLEY. Mr. President, I will not take 40 minutes, but I am very pleased to be joined by colleagues in the Chamber today in recognizing the 1996 national Race for the Cure. The race, which will take place this year on Saturday, June 15, is a unique opportunity to bring together the many people whose lives have been touched by breast cancer.

This year, Capitol Hill has an opportunity to play a tremendous role in this race. Today is the first on-site Capitol Hill registration, and today is also the beginning of something very special in this race. For every Capitol Hill participant who registers, the company Eli Lilly has generously offered to match their registration fee in the form of a donation to Race for the Cure. So for every individual who signs up to participate, your contribution to the race will be doubled. In other words, one can really make a difference here and have that difference amplified.

For all those who are unfamiliar with Race for the Cure, the race is a 5-kilometer run or, in my case, walk that raises money for breast cancer research and for early screening for underprivileged women in underserved communities in the District, Maryland, and Virginia. The race also allows a new generation of women to be made aware of the risks associated with breast cancer. Although we still do not have a cure, we do have screening devices which can increase the early detection that prolongs life. Education and awareness is one of our strongest weapons in the fight against breast cancer.

Today in America, 500 women will be diagnosed with breast cancer. Most likely, each will be frightened, uncertain of her future, and in search of a treatment that, if it cannot cure her, will at least prolong her life. Each woman's family and friends, coworkers, and caregivers will worry deeply about her.

Today in America, 150 women will die of breast cancer. Their lives will be ended prematurely, their family, friends, coworkers and caregivers will be grief-stricken. Listen to the enormity of the disease: Fully one out of nine women in this country will get breast cancer, one out of nine women. Since 1960, nearly 1 million women have died from this disease. With their deaths, millions of their loved ones, including children and aging parents dependent upon them, have suffered as well. We stagger under these numbers, even as we search for the causes and for a cure.

All women are at risk for breast cancer, with the incidence increasing among older women and the mortality rate higher for African American women. While other factors that may put a woman at risk are being thoroughly investigated, we are still, ourselves, at risk for feeling helpless in the face of this killer. I speak about this with personal experience. In 1992, my own wife contracted breast cancer. Ernestine had a mastectomy and chemotherapy for 6 months. As I sat and watched the devastating impact of chemotherapy on her body, I thought to myself, 100 years from now people will look back and maybe consider this treatment like the leeches of the 18th century, it is so devastating. She persevered. It was a trauma for our whole family. It was, for me, the moment

that I realized that sometimes catastrophe can overtake the best laid plans and that every day has to be lived to its fullest because one cannot take tomorrow for granted.

That is kind of the secondary benefit of this whole experience, learning that every day must be lived to the fullest extent possible because one does not know about tomorrow. But one thing my wife feels very strongly, having come out of the treatment with flying colors, being cancer-free now for over 3 years, is that she does not consider herself a victim of breast cancer. She considers that she has triumphed over breast cancer. Early detection and more research for a cure will allow millions of other women to have that feeling as well; that they, too, have triumphed over breast cancer.

So, remembering that the women who battle this disease are our wives, sisters, mothers, daughters, and friends, I am proud to join the estimated 30,000 other runners, walkers, rollerbladers and wheelchair participants, who will participate in the Race for the Cure on June 15. Today I ask all of my colleagues and the staff who work on Capitol Hill to consider participating in the race on June 15. There are already 55 registrants from the Bradley office. Last year I think we were No. 1. Registration is simple. In-person registration is available for all Hill participants today. Let me repeat that. Registration is available today at the Reserve Officers Association Building, which is on the corner of First Street and Constitution, right across from the Hart Office Building.

Registering for the race will be one of the easiest tasks you can do today. Frankly, participating in the race on June 15 will be one of the most rewarding. If you have not done it, I urge you to do it. It will be a morning that you will not forget, and your efforts could really make a difference.

I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I commend my colleague from New Jersey for setting aside the time this morning to talk about the issue and the commitment that we have to conquering breast cancer, which is the largest killer of women between the ages of 35 and 54 in this country. I thought it was poignant to hear my colleague, Senator BRADLEY, talk about this issue not only as a women's health issue, which it very much is, but as the family issue that it is. He talked about the fact that there was a trauma in his whole family. Of course there was. This is a disease that affects men, it affects children and families as well as the women in this country.

Two of the leaders in the Senate on this issue have been Senators whose wives have had breast cancer, Senator BRADLEY and Senator MACK of Florida. I am pleased they have taken this leadership role and joined with all of the women in the Senate—eight of us, soon to be nine—that all have had instances in our families or among our friends of women who have had to battle this terrible disease, one which I think we are on the cusp of solving. I thank the Senator from New Jersey and the Senator from Florida and all the women who have come together to understand the importance of conquering breast cancer.

I want to talk a little bit about my own history with the Komen Foundation. The history of the Komen Foundation is written on this piece of paper. It says, ''In 1982 Nancy Brinker established the Susan G. Komen Breast Cancer Foundation with only a few hundred dollars of her own and a shoe box full of friends' names.''

Mr. President, my name was in Nancy Brinker's shoe box. I was one of those that Nancy called together to put on the first Race for the Cure and the first luncheon in Dallas, TX, in 1983. I was a friend of Nancy Brinker, who is one of the most extraordinary people I have ever known. I will say that this history of the Komen Foundation grossly underestimates Nancy's monetary commitment, her time commitment, and her number of friends. She had friends all over the United States as well as in Dallas, because she was such a giving person.

Because she had the experience of sitting with her 36-year-old sister who died of breast cancer before her very eyes, she made the commitment to her sister at that time that she would spend her life trying to educate and research this issue so this would not happen to other people. So, 13 years later, I never thought I would be standing on the Senate floor, talking about the Race for the Cure in Washington, DC, but in fact that is exactly what has happened. This has spread like wildfire, because so many families in this country are affected by breast cancer and, frankly, because we have not done enough to highlight and focus on the research that is necessary to beat this disease.

In the last 2 years, I want to point out, Congress has been committed to promoting women's health care issues. Breast cancer research and funding has increased over 10 percent per year in the last 2 years. The National Institutes of Health funding for breast cancer has increased over the last 2 years, and last year Congress directed the National Cancer Institute to set aside a portion of its budget to be used for research grants and projects to further the national action plan on breast cancer.

We developed the National Women's Health Information Clearinghouse in 1995 and 1996, and Congress appropriated $2.1 billion for the space station, which is the sole environment possible for studying certain aspects of breast and ovarian cancer and osteoporosis.

A lot of people do not realize that you cannot create the antigravity conditions in space on Earth. You cannot do it. So the space station has given us a new outlet to look at breast and ovarian cancer cells and to look at the bone loss in osteoporosis, all three of which are unique to women.

Osteoporosis is not exclusively a woman's disease, but it does hit women the hardest. These are best able to be studied in the microgravity conditions in space. That is one of the reasons why I am so committed to the space station and the importance of space station research for getting to these women's health issues that we have not been able to conquer heretofore.

So I commend the Komen Foundation for all they have given to save lives in this country. Let's talk about the way that they have saved lives. Just by their education efforts, they have told women all over our country of the importance of self-examination for early detection, because we find many times women can detect, before they even go for their annual mammogram, that they have a lump that they need to have checked out. This is, in fact, what saved Nancy Brinker's life. Because she had been so educated in the need for early detection because of the death of her sister, Susan G. Komen, it did save her life. But Nancy has gone on with the Komen Foundation to save thousands of women's lives because they now know the importance of an annual mammogram after the age of 35 and the importance of self-examination. This is the most important thing the Komen Foundation has done.

But in addition to this, the Komen Foundation has also provided millions of dollars for research through their luncheons and their races for the cure for breast cancer. The research funding goes directly to the doctors who are trying to discover what causes breast cancer so that we can find the cure.

So the Susan G. Komen Foundation, which started only 13 years ago, and which is going to have its annual Race for the Cure in Washington, DC, has done so much, as well as the hundreds of thousands of volunteers who come to the races, who pay their entry fee, who volunteer to help coordinate the races, have really given to this project of trying to find the cure for breast cancer.

I want to say that the Vice Presidents of the United States have been a very big part of this. Vice President Dan Quayle and his wife, Mrs. Quayle, started by highlighting and focusing the Washington Race for the Cure. I am proud to say that Vice President AL GORE and his wife, Tipper, have continued that tradition, and they will be leading this year's Race for the Cure in Washington.

This just helps us bring in the 25,000 people who are now going to run in the Race for the Cure, and all of this money goes to heightening the awareness of women about the need for early detection, and it goes to the research that will get to the cause of this dreaded disease so that we will be able to find the cure.

I am very proud to say that this is a woman's issue upon which all of us can agree. We must find the cure, and I commend the thousands of volunteers around this country who have taken up the cause.

I will just add that I had a wonderful experience this past Saturday doing the start of the Race for the Cure in Plano, TX. It just does your heart good to see the women who wear the pink visors. The women who wear the pink visors are the breast cancer survivors, and they have the number of years since they had detected breast cancer put on their visors. There were a number of those out there, and there were the people who wear the tags on their bags that said, ''I am running in memory of my mother,'' ''my grandmother,'' ''my sister.'' The men and women who run are generally running with spirit and heart because they have been affected in some way by this disease.

I was able to witness the women's 5K, and the men's 5K, and then the children's 1K. We had toddlers who were still in their strollers. We had toddlers who were barely walking. But we had a spirit out in Plano, TX, that is something I see every time I attend a Race for the Cure.

So I urge my colleagues to participate on June 15. I urge anyone in America who has not been to a Race for the Cure to go to one. If you do not have one in your hometown, start one. This is a cause upon which we can all agree and something that will bring us together and eventually solve this dreaded disease that affects the women, the men, and the children in families across America.

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

Mr. AKAKA addressed the Chair.

The PRESIDING OFFICER (Mr. KYL). The Senator from Hawaii.

Mr. AKAKA. Mr. President, I rise with others of my colleagues in the Senate in support of the sixth annual National Race for the Cure, which will be held in Washington, DC, on Saturday, June 15, this year.

Race for the Cure, as has been noted, is a breast cancer benefit run sponsored by the Susan G. Komen Breast Cancer Foundation. The foundation was established in 1982 by Nancy Brinker in honor of her sister who died of breast cancer at the age of 36.

Since its creation, the foundation, through events such as Race for the Cure, has raised millions of dollars to promote education, promote awareness, promote research, and promote early detection of the disease.

Three-fourths of the money raised goes toward local treatment and screening activities, while one-fourth of the funds goes to the Komen Foundation to fund national research activities.

The statistics on breast cancer remain startling, Mr. President. This year, an estimated 44,000 women in our country will die from breast cancer, and another 184,000 will be diagnosed with the disease. I continue to have great concern over the high incidence and low survival rates for this disease among minority and low-income women. I remain particularly concerned that the Native Hawaiian women have the highest incidence of breast cancer among all racial and ethnic groups in this country.

While the cause of breast cancer remains unknown and the disease is not fully understood, significant advancements have been made in the management of breast cancer. As with many of the life-threatening illnesses, early detection of breast cancer, coupled with appropriate and timely followup, remains the most effective method to ensure successful treatment and improved survivability. However, Mr. President, much work remains. Many women do not know how to conduct self-examinations, and many would benefit from a screening mammogram. Some of them do not seek it because of fear, because of cost or even because of lack of access.

In closing, Mr. President, I encourage my colleagues and their staff and families to participate in the 1996 National Race for the Cure. All of us have families or friends who have battled breast cancer.

In particular, this sixth annual race has special meaning for those of us in the Senate. This year's race is dedicated to the memory of Martha Moloney, a longtime aide to Senator WENDELL FORD who lost her valiant fight against breast cancer last November.

Continuing the fight against breast cancer is the most appropriate way to honor Martha's memory and to recognize the heroic efforts of millions of women and their families confronting this disease.

Mr. President, this is one of those dreaded diseases in our country. We all need to support the race 100 percent and participate in all of these activities.

Thank you very much, Mr. President.

Mr. KEMPTHORNE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. KEMPTHORNE. Thank you very much.

Mr. President, I am pleased to join my colleagues this morning in expressing support for the National Race for the Cure. I want to acknowledge and salute the Senator from New Jersey, Senator BRADLEY, for encouraging us to take a few moments this morning to focus on this very important issue.

It is particularly appropriate for those of us in Congress to acknowledge the importance of battling this disease. We represent a wide variety of constituencies across this great Nation, and in so doing we bring to this Chamber particular regional beliefs and attitudes. But unlike the people that we represent, breast cancer is a problem that knows no geographic boundaries.

It does not stop at congressional districts or at State lines. All of us, regardless of where in the Nation we hail, need to acknowledge the toll that breast cancer is taking on women throughout the country and indeed across the world.

A brief look at some statistics should give us all reason to pause. Breast cancer is the leading cause of death for women between the ages of 35 and 54. One in eight women in the United States will develop breast cancer. Three-fourths of those women have no known risk factors, thus making accurate and adequate detection efforts a must for all women.

In Idaho we are fortunate enough to be well below the national age-adjusted average for incidences of breast cancer. Despite this, every year approximately 700 new cases of breast cancer are diagnosed in Idaho. In 1994 alone, 155 women lost their lives against this disease, against this killer.

There is, however, some light at the end of the tunnel. The Federal investment in breast cancer research prevention and treatment has increased dramatically in recent years. This has helped us move closer toward discovering what causes the disease.

We are also able to detect breast cancer sooner and thus improve survival rates for those stricken with the disease. When caught early, thanks to the research to date, the prognosis for recovery is very positive. Increased education and mammography screenings are just two of the things that we can do to make that survival rate even higher in the future.

I would like to acknowledge those who are working so diligently to make the National Race for the Cure a success. Those who are publicizing the event, those who are registering participants, and those who will take part by either running in the race or by providing support and services to the runners.

On a personal note, I would like to thank my wife Patricia for her efforts in building Team Idaho's role in the Race for the Cure. Patricia and I have been blessed in that our families have not had to face breast cancer. But my wife lost both of her parents to various forms of cancer, including her mother when Patricia was only 6 months old. Because of this, my wife Patricia has committed herself to doing what she can to see that other children will not face the loss of a mother at such a tender age.

As we get closer to the actual date of the race, I encourage all Senate offices to do their part to help this tremendous cause. Capitol Hill registrations will be taking place for the next 2 days. The registration fees and donations will play a significant role in our work against breast cancer. At the same time, the heightened awareness about breast cancer generated by the Race for the Cure will hopefully encourage earlier detection and treatment.

On Saturday, June 15, Team Idaho will be there to do its part to fight

breast cancer. My wife Patricia, our daughter Heather, son Jeff, numerous dear friends, and great staff will be there as Team Idaho joins with so many other participants in our efforts in this Race for the Cure to find the ultimate cure for breast cancer.

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

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

NATIONAL RACE FOR THE CURE

Mr. FORD. Mr. President, first, let me thank all my colleagues that have been on the floor this morning making statements relating to the Race for the Cure and the effort that is being made in that interest in eradication of breast cancer. I also thank the Chair today for his work this morning and his support. We are all very grateful.

Mr. President, as many may know, last year a loyal and trusted member of my State, Martha Maloney, passed away after a long battle with cancer. Martha had been with my office for 18 years, so you will understand when I say she was like part of the family to me. Over the years, I had the privilege to see her develop her legislative skills, having a hand in numerous historic legislative achievements and working on airport projects all across the Commonwealth of Kentucky.

Martha's bravery in fighting breast cancer inspired a 200-member team to participate in last year's National Race for the Cure on behalf of breast cancer. They ran and walked the 5K's because they were ''doing it for Martha.'' She was able to be there. She was able to see their effort and was very pleased.

Now, Mr. President, this year's race, to be held on June 15, will be dedicated in her honor. That is why I stand here today. Martha had long been a strong supporter of breast cancer research, and proceeds from the National Race for the Cure will go to the Susan G. Komen Foundation, the Nation's largest private funder of breast cancer research, education, screening, and treatment.

Over 26,000 participants and sponsors in last year's event raised over $650,000 that went to local hospitals and health care organizations. Preliminary figures show this year's run will double, if not triple, that amount. Already, $1.4 million has been collected or pledged. I, like many with me in this Chamber today, think this is very significant. For that reason, we introduced a resolution designating June 15, 1996, as ''National Race for the Cure Day.''

With over 35,000 runners, walkers, even in-line skaters expected, this year's race will be a resounding success. Many people will contribute to the success of the National Race for the Cure. I would be remiss if I did not tip my hat to the U.S. Postal Service for its cooperation in releasing 100 million breast cancer stamps nationwide on June 15. The pink ribbon on the new stamp, and the cheers of all those who line the Race for the Cure course, will not only pay tribute to the many who silently suffered in the past, but also serve as a promise to stand firmly committed to those battling the disease today and to commend all of our resources so there might be no casualties in the future.

Along with the breast cancer stamp, the Postal Service will launch a nationwide effort to make post offices in every community centers of information and understanding about this disease. Brochures and videotapes explaining the importance of self-examination and annual mammograms will be on hand in every post office across this great land. Postal employees will be provided with facts about breast cancer they can share nationwide.

I also would be remiss if I did not point out that the Commonwealth will host its first Race for the Cure on October 26. Mr. President, 1,000 Kentuckians are expected to make that run, joining 340,000 participants in 64 other cities across the country.

Mr. President, I attended the State convention of the postmasters in Kentucky just this past Monday. They have an individual that is in charge of the overall operation. I think this is true in most States. Hopefully, there will be more than just one race in Kentucky. We are hoping for 35 to 40. If other States will do similar events, I can almost feel a tidal wave coming in the amount of money that can be put into research and hopefully expedite the day that the answer to this devastating cancer can be found.

I want to encourage my colleagues and their staff to be one of those walkers or runners to support this worthy cause in any way they can. There is a mother or a daughter or sister who will be very thankful you did.

NATIONAL RACE FOR THE CURE DAY

Mr. FORD. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Resolution 257, designating June 15, 1996, as ''National Race for the Cure Day,'' and that the Senate then proceed to its immediate consideration.

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

The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 257) to designate June 15, 1996, as ''National Race for the Cure Day.''

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. LEAHY. Mr. President, today I join my distinguished colleagues in urging all of our colleagues, their staff, families, and friends, to join the thousands of individuals who will participate in this year's Race for the Cure. In years past, my wife and I have eagerly joined the throngs of people of all ages who run or walk, are pushed in strollers or push themselves in wheelchairs, who share one common goal: helping to raise money so that a cure can be found for the disease that has taken the lives of nearly 1 million of our sisters, daughters, wives, and mothers during the past 35 years. This has been one of the most important events in which we have participated over the years.

Since 1992, I have fought for increased funding for breast cancer because as lawmakers, it is our responsibility to provide the tools researchers need to find a cure. Many of us find ourselves fighting this insidious disease in our daily jobs, as lawmakers, scientists, researchers, doctors, and advocates. But as a husband, father, and friend, this race has been another way for me to show my support of the urgent need to stop the spread of breast cancer, of the courageous women who fought this disease and won, and finally, to honor the strong women who were simply unable to overcome the power of this disease.

I hope that everyone will heed the messages presented on the floor of the Senate and participate in this important event.

Mrs. MURRAY. Mr. President, I am proud to be here again this year, joining my colleagues in the Senate to talk about the National Race for the Cure. This important event underscores the critical need to raise awareness about breast cancer, and the need to support research and education about this frightening disease.

We have heard the numbers and seen the statistics. Each year breast cancer strikes 184,000 women, and kills an estimated 45,000. Far too many have died from this disease, and the list includes many of my own friends and relatives. We all can agree that more must be done to educate women about the risks, prevention, and treatment of breast cancer. I can tell you that, as a woman, the mixed messages we receive are frustrating and dangerous.

We hear conflicting advice about when to have a mammogram—one year it's at age 40 then next it's at age 50—we need consistent, accurate information or else women will continue to die. Studies show that early detection and proper treatment could save the lives of 9 out of 10 women with breast cancer—that's 90 percent, Mr. President. These numbers are too serious to ignore.

We must do all we can to encourage education and awareness about how we can protect ourselves and our daughters from the tragedy of breast cancer. For this reason, the Race for the Cure is so very important; the D.C. race is

the largest 5-kilometer race in the country—35,000 participants are expected to run, walk, and roller blade this year. This is a day to draw national attention to this disease; throughout the year races will be taking place in cities across the country to turn the spotlight on this critical women's health issue. Of course 1 day is not enough, but it's a good place to start and it's an important reminder for all of us.

I want to encourage my colleagues to participate, as well as people all over the country. As it happens, today and tomorrow are Capitol Hill registration days. I am proud to say my office has put together a team and will be participating in the race. I urge everyone to do the same.

Mr. President, I would like to take a moment to thank Senator BRADLEY for his passionate and personal commitment to addressing women's health issues. I appreciate his leadership and dedication to supporting the National Race for the Cure.

I also want to briefly thank Senator FORD for submitting the resolution to designate June 15 ''National Race for the Cure Day.'' I am proud to join him as a cosponsor of this resolution and for recognizing the importance of the Race for the Cure in the battle against breast cancer.

Breast cancer, while predominantly a woman's health issue, does affect men and it certainly can devastate an entire family. We must do all that we can to protect ourselves and our families from having to endure the tragedy of this disease. The National Race for the Cure is an ideal way to join the fight against breast cancer. I thank my colleagues for recognizing that.

NO BACKSLIDING ON FINDING A CURE FOR BREAST CANCER

Mrs. FEINSTEIN. Mr. President, I rise today to join my colleagues in expressing support for an increased effort to find a cure for breast cancer and for the Race for the Cure which will take place on June 15.

Every 3 minutes an American woman is diagnosed with breast cancer.

Every 12 minutes an American woman dies of breast cancer.

Breast cancer is the second leading cause of cancer death in women. The incidence is rising each year.

This year, 184,300 new cases will be diagnosed and 44,300 women will die from breast cancer. In California this year, 17,100 new cases of female breast cancer will be diagnosed and 4,100 California women will die.

Even though the Federal Government has spent almost $1.5 billion on breast cancer research in the last 20 years and Federal funding has quadrupled since 1990, we still do not have a cure. The annual race is an important event, bringing public attention to the need to continue the drive. It gives us all a way to keep up the momentum toward a cure.

Breast cancer is not just a woman's disease. It also can afflict men. In addition, when a woman has breast cancer, her whole family is affected. Everyone must cope with the trauma, physical, and psychological.

Women today must sort through many confusing messages. There is confusion about who should have a mammogram and how frequently. There is confusion about treatment options, like mastectomy versus lumpectomy, radiation versus chemotherapy.

To help families better understand the disease, their options and research trends, the Senate Cancer Coalition which I chair with Senator MACK, is holding a hearing on June 13 from 1 to 4 p.m. in room 106 Dirksen. Experts will discuss the controversies surrounding frequency of mammograms and treatment choices. We will look at what the Federal research dollar has accomplished and the direction research should now take. We will examine the obstacles families face in getting good information and making informed decisions.

Breast cancer is a devastating disease. I commend my colleagues for coming to the Senate floor today to express their concern and to stress the importance of continuing the Federal research race for the cure. This is an important role the Federal Government can play and one in which I am proud to participate.

The PRESIDING OFFICER. Without objection, the resolution and preamble are agreed to.

The resolution (S. Res. 257) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 257

Whereas breast cancer strikes an estimated 184,000 women and 1,000 men in the United States annually;

Whereas breast cancer will kill 44,300 women in the United States alone this year;

Whereas breast cancer is the leading cause of death for women between the ages of 35 and 54;

Whereas death rates resulting from breast cancer could be substantially decreased if women were informed about the risks of contracting the cancer and if they receive mammograms on a regular basis;

Whereas the Race for the Cure is dedicated to eradicating breast cancer through providing funding for research, education, treatment, and screening for low-income women;

Whereas throughout the year, almost 340,000 participants in 65 cities across the United States (including the first-time host cities of Los Angeles, Las Vegas, Cheyenne, Sacramento, Battle Creek, Baton Rouge, and Louisville) will join together in Races for the Cure to demonstrate their commitment to fighting breast cancer;

Whereas the National Race for the Cure in Washington, D.C., is the largest 5 kilometer race in the country, with over 35,000 walkers, runners, and in-line skaters expected to participate this year; and

Whereas the Seventh National Race for the Cure is to be held on Saturday, June 15, 1996, in Washington, D.C.: Now, therefore, be it

Resolved, That the Senate designates Saturday, June 15, 1996, as ''National Race for the Cure Day''. The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the day with appropriate programs and activities.

Mr. FORD. 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.

Mr. FORD. Mr. President, I ask unanimous consent that two of our colleagues be added as cosponsors, Senator COVERDELL and Senator KOHL.

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

Mr. FORD. Mr. President, I believe it would be in order to leave the resolution at the desk until 5 o'clock today so any other Senator that might want to be a cosponsor can do so.

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

Mr. FORD. 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. BINGAMAN. 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 DROUGHT IN NEW MEXICO

Mr. BINGAMAN. Mr. President, I wanted to take a few minutes here to bring the Senate up to date on the severe drought that we are experiencing in all of the Southwest, but particularly in my home State of New Mexico, and also to urge action on a bill that I introduced with 14 cosponsors recently—the Temporary Emergency Livestock Feed Assistance Act of 1996.

Last week, in Roswell, NM, the newspaper called the Roswell Daily Record contained a joke of sorts. It said that a rancher placed five calves in a pen because he could not afford to feed them. He knew that they would not fetch much if he tried to sell them. He put a sign on there saying ''free calves.'' He came back the next day and found 20 calves in the pen. This a joke, but unfortunately, in New Mexico, the drought is no laughing matter. The precipitation levels in my State, through the end of May of this year, are 60 to 80 percent below normal.

In the Albuquerque Journal on May 26, it profiled a ranch owned by Shirley Porter. One of the lines of the story summed up the circumstances that she faces and says, ''She does not need to worry about gates anymore. There is nothing here to get loose. Shirley Porter, who is a rancher in San Jon, on the east side of New Mexico, sold every last one of her 139 cows, calves, and bulls at a livestock auction in Clayton, NM. She was given a total of $30,204.63 for all of her livestock. She had come to this ranch as a bride right after high school. And now, at the age of 67, she was forced to liquidate. She was quoted as saying, ''I am not going to grieve for them''—that is, the livestock—''because if I had kept them, they would have starved to death.''

Every part of New Mexico is affected by this drought, and much of the rest of the Southwest as well. In one part of New Mexico, farmers are predicting that they will obtain about 1 bushel per acre of wheat. Usually the yield is about 45 bushels per acre. To keep the livestock alive, ranchers are forced in some cases to burn the thorns off prickly pear cacti to give their cattle a little food. Ranchers are having to sell off cattle just to pay the interest on the loans that they have, and, of course, the cattle market is flooded. Calves that would have sold for $125 a year ago now are selling for $10 to $20.

Fireworks in my State have been banned by our State Corporation Commission statewide from now through the 18th of the month. I think they are going to consider extending that ban assuming no rain is forthcoming; 22 of 33 counties have been declared disaster drought areas.

Let me refer to some charts that I have here, Mr. President, to make the point even more graphically. I think these are hard for anyone to see from a distance, but perhaps the coloration of the charts will make the point.

As I understand, the Weather Service's main indicator for drought areas—severe drought—is the so-called Palmer Index. When you look at the Palmer Index for the country as a whole—this is valid through the end of March 1996—you can see that much of my State or the majority of my State even by the end of March was listed in a severe or extreme drought condition. Here again is the drought severity index. This is the long-term Palmer Index, which shows the bright red area, which shows most of my State and, of course, most of the Presiding Officer's State of Arizona listed again as severe or extreme drought. Much of Nevada and California as well as much of the Southwestern part of the country is affected.

On U.S. precipitation rankings, again from the Weather Bureau, you can see that extremely dry is the bright orange area through the entire State of New Mexico and much of the rest of the Southwest as well. This final chart is one which tries to show the severity of the fire danger. As of May 3, 1996, again it shows virtually all of New Mexico and all of Arizona and much of Texas, Colorado, Utah, California, and Nevada.

So this is a serious problem, Mr. President.

What I have proposed and what many have joined me in proposing is Senate bill 1743, the Temporary Emergency Livestock Feed Assistant Act of 1996. The bill would give immediate assistance to ranchers if passed. We now have 14 cosponsors of that legislation as of last count. We would be putting the livestock feed program back into effect with this legislation for a 1-year period. The program was suspended in the recently enacted farm bill. This proposed legislation would extend the program through 1996.

Under the bill, producers who have suffered at least a 40-percent loss of feed production would be able to apply for assistance through their local farm service agencies. The livestock eligible would be cattle, sheep, and goats. The old program was funded through the Commodity Credit Corporation. We do not propose to do that again. S. 1743 targets $18 million from the Cottonseed and Sunflower Seed Oil Export Assistance Program. I am informed that this is money which is not expected to be used this current year. It is money that was appropriated but will not be used for that purpose because the need is not there.

In addition, the Department of Agriculture has a stockpile of grain. The stockpile, of course, is referred to as the Commodity Reserve Program.

I was encouraged to see that there is a resolution that now has passed the House and which is expected to be considered here in the Senate very shortly to urge the Secretary of Agriculture and the President to go forward with use of that Commodity Reserve Program. That is another part of the legislation that we introduced calling on the Secretary of Agriculture to report back as to what portion of those commodities could appropriately be used to provide assistance to these ranchers.

Mr. President, this is a serious problem. It is not one that has been short-lived. We have been living with the drought now for many months in the Southwest. Unfortunately, the situation seems to continue. Each of my calls back to New Mexico, regardless of what subject I call to discuss with people there, begins with a discussion about the drought and the lack of rainfall.

I hope very much that the Senate and the Congress as a whole will go ahead and act on this Temporary Emergency Livestock Feed Assistance Act. I have talked to the chairman and ranking member of the Agriculture Committee and asked them to give attention to this, and hopefully we can take action on this in the next few weeks before we adjourn for the Fourth of July recess.

This is the kind of constructive act that I think would encourage people in their view of the Congress. There is, of course, a tremendous amount of politics being played in Washington these days on all sides. Everyone knows that. We are looking for things that we can agree upon and constructively pursue. In my view, enactment of this Senate bill 1743 should be one of those actions that we could take on a bipartisan basis which would help the people that we are sent here to represent.

Mr. President, I urge consideration of this. I encourage any of the other Senators or their staffers who may be watching or hearing the discussion today who would like to cosponsor the legislation to do so. Let me read off a short list of 14 cosponsors before I conclude my remarks.

On the Democratic side, Senators DASCHLE, BAUCUS, DORGAN, EXON, and HARKIN are cosponsors; on the Republican side, my colleague, Senator DOMENICI, Senator GRAMM of Texas, Senator GRASSLEY, Senator HATCH, Senator INHOFE, Senator KYL, Senator PRESSLER, Senator HUTCHISON, and Senator KASSEBAUM are cosponsors.

I think this is clearly a bipartisan effort to deal with a very real-life, immediate situation. I hope very much we can take action on this in the next week or two so that relief of some sort at least can be provided before the July 4 recess. I will be looking for opportunities to move this legislation forward. We cannot legislate rain, but we can legislate relief to assist those who are suffering because of the drought.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATCH. 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 50TH ANNIVERSARY OF OLD STURBRIDGE VILLAGE

Mr. KENNEDY. Mr. President, this Saturday marks the 50th anniversary of Old Sturbridge Village in Sturbridge, MA, where our Nation's past comes alive for large numbers of visitors each year.

In 1995, over 500,000 people—including 110,000 schoolchildren—visited Old Sturbridge Village and enjoyed its workshops, performances, arts and crafts programs, and numerous special events. The American Association of Museums has described the village as a ''model living history museum. The historic structures and their interpretation combine to offer visitors an experience that is authentic, instructive, and enjoyable. Education programs at Old Sturbridge Village set a very high standard for others to aspire toward . . . [and] deserve to be emulated in our profession.''

Old Sturbridge Village has accomplished a great deal since it first opened to the public in 1946. It was originally established through the philanthropy of Albert Wells and J. Cheney Wells, two brothers who owned and operated the American Optical Company in Southbridge, MA. The Wells brothers were passionate collectors of American antiques. When their collections outgrew their homes, they came up with the idea of displaying them in a working village that would recreate the occupations of early 19th century New England for future generations.

Today, Old Sturbridge Village stands on a 200-acre tract of farmland and meadows donated by the Wells brothers, complete with a Federal-era mansion, a working sawmill and gristmill, and over 40 buildings that house their collections of antiques. Visitors who walk along the village's unpaved roads,

or go into the Asa Knight General Store stocked with snuff and tooth powder have a genuine sense of stepping back into time and history. I have visited Old Sturbridge Village many times with my family, and I am always greatly impressed with the exhibits and demonstrations.

President Kennedy once said that ''we celebrate the past to awaken the future.'' For 50 years, Old Sturbridge Village has accomplished that goal. I commend Alberta Scott George, president of Old Sturbridge Village, and her dedicated staff, past and present, on this auspicious anniversary for all they have done so well, and for their skill in preserving these fascinating aspects of our Massachusetts heritage and history.

SWISS BANKS, JEWISH DEPOSITS, AND PLUNDERED JEWISH ASSETS

Mr. D'AMATO. Mr. President, I rise today to speak again on the role of Swiss banks during the war in relation to their continued retention of Jewish assets as well as looted Jewish assets.

During the course of our ongoing inquiry into these important subjects, we continue to find documents which detail the alleged use of Swiss banks by the Nazis for illicit purposes. One such declassified intelligence document, dated June 12, 1945, from the U.S. Legation in Bern, Switzerland, entitled ''Interim Report on Johann Wehrli & Co., Zurich,'' details the use of a special account set up at what was then called the Wehrli Bank in Zurich under the name of the ''Trustee Account Gustloff Stiftung.''

I want to quote the relevant section of this document to further explain this point.

> The payments to the Germans of the Hirtenbergerwerke ([Fritz] Mandl's munitions factory in Austria) assets, which were under Mandl's control in 1938, were effected through the Wehrli Bank to an account known as Trustee Account Gustloff Stiftung. The examiner, who has a personal knowledge concerning the background of this trust as a result of his many years residence in Germany before the war, described the Gustloff Stiftung as a ''fund'' in which were placed the assets and titles of property taken by the Nazis from Jewish businessmen in Germany and the occupied countries. Gustloff, the head of the Nazi party in Switzerland, was murdered in 1935 by one Frankfurter. In accordance with the prevailing practice at the time, Gustloff was selected by the Nazis as one of their ''martyrs'' and many statues were erected to perpetuate his name. The name of the trust, therefore, seems to have no further significance. The only record of Gustloff Stiftung on the books of Wehrli is in connection with the sale of the Hirtenbergerwerke properties.

This revelation, if true, seems very disturbing, in that a Swiss bank had a specific account set up to hold plundered assets of European Jews. From other documents, we have information that leads us to believe that the Wehrli Bank was also used to transfer assets of Germans to Argentina, near the end of World War II and after. This begs the question, were assets from the Gustloff Stiftung also transferred to South America or other locations.

Of particular concern is the further question of whether there were other accounts like the Gustloff Stiftung in other Swiss banks. While we cannot yet verify this, it is entirely possible that if one such account existed, others did also.

On the topic of Jewish assets in Swiss banks, I would like to comment that the answers that we are receiving to questions we are asking the Swiss Bankers Association are wholly insufficient. They are evasive and they continue to deny any knowledge of impropriety. They continue to dodge questions as to where these assets might be, or if they even existed.

We have very clear information that suggests that Swiss banks have continued to maintain this myth now for over one-half of a century. In this vein, I would like to submit for the record, evidence of this claim.

Therefore, I ask unanimous consent to have printed in the RECORD, at this point, three documents detailing a request for information on their account in the Swiss Bank Corporation, from July 1939, made on behalf of an Austrian Jewish couple by the names of Anny and Kurt Kadisch. One is a letter to the State Department from Congressman Robert L. Rodgers regarding this request, the second is a letter to the Swiss Bank Corporation from the Kadisch's attorney to the bank, and the third is the answer from the Swiss Bank Corporation to the Kadisch's attorney.

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

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 7, 1939.

OFFICE OF THE ADVISER ON INTERNATIONAL ECONOMIC AFFAIRS,
Department of State,
Washington, DC.

DEAR MR. LIVESEY: On June 27th my office contacted you relative to the proper procedure to be followed to ascertain the status of an account in a bank in Switzerland. The information which was given to me by the constituent making the inquiry was not sufficient to enable the Department of State to give any difinite instructions, and your office suggested we make further inquiry of my correspondent.

In today's mail my constituent, Mr. Roberts, advised me further in the matter—as will be noted in the inclosed letters (copies).

What Anny and Kurt Kadisch really desire is to effect the transfer of the funds to the credit of Account 61879 to this country. They also want to know the status of the account at the persent time and the best course to follow to have these funds transferred to the United States.

Any information your office can furnish, or advice as to procedure for Mr. Roberts or his clients, Anny and Kurt Kadisch, will be personally appreciated. I am well acquainted with Mr. Roberts, who is a capable and reliable attorney.

Very respectfully,

R.L. RODGERS.

SAMUEL J. ROBERTS,
ATTORNEY AT LAW,
Erie, PA, May 23, 1939.

ALBERT MARTI, *Director,*
Schweizer Bankverein,
Zuerich, Rudolfspletz, Switzerland.

DEAR DIRECTOR MARTI: We have been requested by Anny and Kurt Kadisch, formerly of Graz, Austria, to determine the present status of Account No. 61879, which consists of the purchase of Two Thousand (2000) pounds British War Assented Loan 3½%.

Will you please be kind enough to give us whatever information you have concerning this Account and forward to us forms, or documents, which may be necessary to prepare an order to effect a transfer of said Account?

You are assured that we shall greatly appreciate any information which you can give us concerning this matter.

Very truly yours,

SAMUEL J. ROBERTS.

SWISS BANK CORPORATION,
Zurich, Switzerland.

Basle St. Gall Geneva Lausanne,
La Chaux-de-Fonds Neuchatel, Schaffhausen London E.C., 2, 99 Gresham St., Bienne Chlasso Herisau Le Locle Nyon, Algle Bischofszell Morges Rorschach Zofingen.

Fully paid-up capital and reserves Fr. 194,000,000.

Telegrams: Suisbanque.

SAMUEL J. ROBERTS, ESQ.,
ATTORNEY AT LAW,
Erie, Pennsylvania, U.S.A.

ZURICH, JUNE 2, 1939.

DEAR SIR: We are in receipt of your letter of May 23rd and regret being unable to give you the information desired.

Yours faithfully

SWISS BANK CORPORATION.

Mr. D'AMATO. Mr. President, as one can read, the Kadisch's attorney requested help for them from Congressman Rodgers, who then wrote to the State Department on their behalf. Their attorney also wrote on their behalf to the bank in question. The Kadisch's were checking on the status of their account, of which unlike other claimants, they had the account number.

As we have found to be the case after the war, the Swiss bank denied them any information about the account. As of yet, we do not know what was the fate of this account. This is, however, disturbing, especially since the Kadisch's had the bank's name as well as the account number. This document only brings up more questions for the Swiss banks to answer.

I hope that we will be able to obtain answers to these and other questions in the coming months. Right now, however, I am very disappointed in the lack of cooperation by the Swiss Bankers Association and their continued denial of knowledge regarding these accounts as well as the fate of plundered Jewish assets.

The 1996 NATIONAL RACE FOR THE CURE

Mr. ABRAHAM. Mr. President, along with several of my colleagues, I rise today to commend the many people helping to conduct our fight against breast cancer and to promote participation in an event that has increased

in stature each year it has been held: the National Race for the Cure.

Saturday morning, June 15, several thousand people will gather down on the mall near the Washington Monument to compete in the 1996 National Race for the Cure, either by participating in a 5 kilometer run or a one mile walk. The purpose of this race is to help raise money for and focus attention on breast cancer, one of the major threats to the lives and health of women in this country. Numerous corporations have made financial and in-kind contributions to help support this event—including several Michigan corporations such as Kelloggs, General Motors and Ford—and they are to be commended for their generosity and dedication. Also, the U.S. Postal Service will be unveiling a stamp promoting early detection and treatment of breast cancer.

The race is put together by the Susan G. Komen Breast Cancer Foundation, the largest private funder of research dedicated solely to breast cancer in the U.S. Efforts such as the Race for the Cure and other events held in 67 cities in 35 States and the District of Columbia enable the Susan G. Komen Foundation to fight breast cancer through a combination of research advocacy, education, screening and treatment.

We are on the edge of crucial breakthroughs in the area of breast cancer research and treatment. For instance, researchers at the Human Genome Project at the National Institutes of Health have located the section of the gene that they believe dictates the genetic and hereditary nature of breast cancer. The efforts of private organizations such as the Komen Foundation, when combined with the work done through Federal agencies such as NIH, increase the real likelihood that a cure for breast cancer will be discovered in the foreseeable future.

Breast cancer education and activism are not new to the Abraham family. Ever since my Mother's death back in 1982 from breast cancer, our family has been involved in efforts to heighten awareness and promote early detection of this devastating disease. Among our recent activities, just last month, my wife Jane and I participated in the Michigan Race for the Cure. Jane is also serving on the Congressional Committee for the National Race for the Cure being held next Saturday.

Too often it takes the loss of someone close and dear to one's heart to properly focus our attention and energy on spreading the word about silent killers like breast cancer. That is why it is critical for those of us who have experienced the tragedy of breast cancer to speak out and inform women—and men—of the dangers of ignorance and procrastination.

And it is vital that men become involved in this issue as well, reminding their mothers, wives, sisters, and daughters of the importance of early detection and treatment. It is only through such efforts that we can see to it that people no longer have to lose a loved one before learning the bitter truth about this devastating and deadly illness.

Once again, I want to commend everyone involved in putting together this year's race. I urge Members and their staff to participate in the race itself and to provide support to the broader cause of increasing education, treatment and research in the battle against breast cancer.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The PRESIDING OFFICER. The Senate will now proceed to debate House Joint Resolution 1, which the clerk will report.

The bill clerk read as follows:

A joint resolution (H.J. Res. 1) proposing a balanced budget amendment to the Constitution of the United States.

The Senate resumed consideration of the joint resolution.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I rise today to call on the Senate to send the Dole-Hatch-Simon balanced budget amendment to the States for ratification. The time for decision has arrived. We will be voting on it either today or tomorrow. I suspect the vote is set for noon tomorrow. I hope that the Senate will respond to the needs of the American people and pass the balanced budget amendment.

Let me initially pay tribute to some of my colleagues who have fought for the passage of this crucial measure. First, let me mention the distinguished senior Senator from Illinois, PAUL SIMON, the primary Democrat sponsor of this bipartisan amendment. Senator SIMON has been a tireless and courageous, active worker on behalf of this amendment in his efforts over the years to secure passage of this amendment. His efforts on this matter, I think, are going to be missed in future Congresses. I have certainly enjoyed working with him. He is sincere. He is dedicated. He knows, unless we put the fiscal discipline into the Constitution, that we are not going to be able to balance this budget within 7 years or at any time in the immediate future.

I also have to mention another veteran of the battle for the balanced budget amendment, Senator STROM THURMOND. The senior Senator from South Carolina has been a consistent voice for fiscal responsibility and a staunch supporter of the balanced budget amendment over many years of his service here. We look forward to his continued work on this and other matters in the future. Senator HEFLIN from Alabama has also been a long-time supporter of this bipartisan measure, who will certainly be missed in future Congresses. I will miss both of these senior Democrats, who have done so much to try to pass the balanced budget amendment.

Let me also mention on our side—there are so many that should be mentioned on both sides—but let me mention Senator LARRY CRAIG, of Idaho, who has been a forceful advocate of the amendment and has done the best within his power to try to get the amendment up and of course do everything he can to pass it. And I might also add Senator PAUL COVERDELL of Georgia, who has been a key leader on the team in moving this idea forward.

I would also like to especially thank the 11 freshman Republican Senators who joined us at the beginning of this Congress. All of them leapt immediately into this fray in support of the balanced budget amendment when it came up in the very first month of the 104th Congress. They deserve a lot of credit. We only lost this by one vote. We will hear from each of them later, as we did in the first round of debates last year. It is heartening to see new Members so strongly dedicated to the fiscal soundness of our country.

These and so many of my colleagues from both sides of the aisle have been valiant servants of their country in fighting for a constitutional provision which will protect future generations from the profligacy of the current and past generations. But one stands above them all in his tirelessness, his dedication, in his commitment to providing a better future for our children and grandchildren, an America like the one that he grew up in, fought for, and of course an America that he has served all of his life. He will be leaving us soon and he will be sorely missed in this body, but he will be going on to greater challenges and higher offices in the service of our country. I am, of course, referring to our majority leader, and our leader in this effort on the balanced budget amendment, Senator ROBERT DOLE. BOB DOLE has made this a priority and has worked to make a balanced budget amendment the 28th amendment to the Constitution. His efforts on this amendment happen to be consistent with his decades of service on behalf of all Americans and on behalf of future generations. The contrast of his record with that of President Clinton is very clear.

President Clinton has fought the balanced budget amendment every step of the way. I would ask, why? The President now says he is for a balanced budget, yet I suggest the opponents of the balanced budget amendment are simply not ready to impose the kind of fiscal discipline on themselves that a constitutional amendment would require. It is tough to stop spending other people's money.

Last year, President Clinton succeeded in blocking the balanced budget amendment. He used all the tools at his disposal. He sent out Cabinet officials to argue against the amendment and even against balancing the budget per se. He used the resources of the Federal Government and all the persuasive power of the Presidency to defeat the balanced budget amendment to the Constitution.

Last year, President Clinton won and, in my opinion, the American people lost. The American people will lose again if President Clinton has his way again this year, unless he changes his mind and makes clear his support for this balanced budget amendment, the only one that has a possibility of passing because it already has passed the House of Representatives.

The subject matter of the amendment goes to the heart of our Founding Fathers' hope for our constitutional system, a system that would protect individual freedom through limited government. In the later half of this century, however, the intention of the Framers of the Constitution has been betrayed by Congress' inability to control its own spending habits. The size of the Federal leviathan has grown to such an extent that the very liberties of the American people and our future generations are threatened.

Since the other body has already given its approval to the amendment it is up to the Senate to follow suit to meet the needs of the American people, 85 percent of whom favor a balanced budget amendment. We need to relegate the spendthrift and tax-happy policies of the past to the dustbin of history.

This amendment has broad support in the country and among Democrats and Republicans who believe we need to get the Nation's fiscal house in order so that we can leave a legacy of a strong national economy and a responsible national Government to our children and grandchildren.

The problem is our worsening debt crisis. Our Nation is faced with the worsening problem of rising national debt and deficits and the increased Government use of capital that would otherwise be available to the private sector to create jobs and invest in our future. This problem presents risks to our long-term economic growth and endangers the well-being of our elderly, our working people, and especially our children and grandchildren. The debt burden is a mortgage on their future. The debt is fiscal child abuse and it must end.

The total national debt now stands at more than $5.1 trillion. That means that every man, woman and child in Utah, and all of our States, has an individual debt burden of more than $19,600. While it took us more than 200 years to acquire our first trillion dollars of debt, we have recently been adding another $1 trillion to our debt about every 5 years.

Yet opponents of the balanced budget amendment claim that there is no problem. They point to the marginal slowdown in the growth of the debt in the last year or so as if it suggested that all our problems are solved. Only inside this beltway, in Washington, DC, can people claim that we are on the right track while we add to a debt of more than $5.1 trillion.

The President's own 1997 budget predicts that in the year 2000, total Federal debt will be more than $6 trillion. That means a Federal debt of about $23,700 per person. Everybody in this country will have jumped from $19,600 per person that we owe now to $23,700 per person. This would be nearly a tenfold increase in per-capita debt since 1975.

When we last debated the balanced budget amendment I gave a daily update on the debt increase as we debated. By the end of the debate my ''debt tracker'' was becoming unwieldy, so I brought down sort of a summary debt tracker to bring us up to date on the debt since we began debate on this amendment in January of last year.

As my chart here shows, when we last began our debate in January 1995, we were in debt, as a national debt, $4.81 trillion. Since January 30, 1995 to June 3, 1996, a little over a year, we are now at $5.13 trillion in national debt. We have gone up $320 billion while this President is claiming we are getting the national debt under control and that he is really solving the deficit problems. That is a false claim and there is no question about it.

Translated in more understandable terms this means that the cost of delay in passing this important amendment has been more than $1,200 for every man, woman and child in our country. Put another way, over the 15 months that have elapsed since President Clinton helped defeat the balanced budget amendment, the debt has increased on average over $650 million a day; over $27 million an hour, over $450,000 a minute, over $7,500 every second. This is the price of the delay by President Clinton and his allies.

That increasing debt is not just numbers on a chart. Over time, the disproportionate burdens imposed on today's children and their children by the continuing pattern of deficits could include some combination of the following: Increased taxes, reduced public welfare benefits, reduced public pensions, reduced expenditures on infrastructure and other public investments, diminished capital formation, decreased job creation, weaker productivity enhancement, and stagnating real wage growth in the private economy, higher interest rates, higher inflation, increased indebtedness to and economic dependence on foreign creditors, increased risk of default on the Federal debt, and, I might add, I think a very strong hit on Social Security—a very strong hit. Because, while we have done nothing to pass a balanced budget amendment, the debt has gone up $320 billion in just the last 15 months, and every time that goes up it reduces the value of every dollar and hits people on Social Security more than anybody else.

So, while some are arguing that we have to protect Social Security in the balanced budget amendment, something that should not be written into a constitutional amendment, Social Security is endangered because we are not putting this fiscal discipline into the Constitution and we have now gone 15 months with more danger to Social Security than ever before, where, had we passed this amendment, we would be on the way to balancing the budget by the year 2002 without any obfuscation, without the phony budgets that we commonly see around here, without the smoke and mirrors. We would have to do it. That, in the end, is what will protect Social Security and other pensions of people who are counting on them in our society.

Mr. President, one thing became clear during our recent experience in trying to enact the Balanced Budget Act of 1995. It is that we need a constitutional amendment. Some Senators argued during our debate last year on Senate Joint Resolution 1 that ''we did not need a constitutional amendment to balance the budget; we know what needs to be done; we should just do it.'' In fact, the President said that in a news clip I saw. He pointed to the media and said, ''Let's just do it.''

That is what they have been saying for 60 years now and why everything is being put in jeopardy as this debt continues to skyrocket, while we continue not to have a balanced budget amendment which would protect us. The trouble with ''just do it,'' is that Congress did it and the President did not. But under a constitutional amendment to balance the budget, the words ''just do it,'' would have authority for both of the elected branches of Government.

In the year that has gone by since President Clinton helped defeat the balanced budget amendment, the country has witnessed one of the most contentious budget battles in the history of our Nation. President Clinton was willing to let the Government shut down not once but twice before he finally agreed to work seriously toward balancing the budget.

But really what guarantee is there the Federal Government will achieve a balanced budget? And it is not just balancing the budget; it is reducing the national debt as well.

When the other side of the aisle controlled Congress, we never even had a serious consideration of this budget plan, we never even looked at it seriously. President Clinton never proposed a balanced budget until he was forced to. The budget that he submitted, when we first debated this amendment last year, had $200 billion deficits as far as the eye can see. Even our colleagues on the other side of the aisle recognized this as an entirely inadequate approach and rejected it. In fact, the President submitted no fewer than 10 budgets in 1 year in a series of attempts to avoid the tough, but responsible, decision to balance the budget.

Can the country afford the risk of having this fight every year? Nothing shows more clearly how difficult it is to move in the right direction than just the last 9 months. Mr. President, we need the balanced budget amendment to lock in the balanced budget

rule, or the future of our children will become bleaker and bleaker.

This constitutional amendment will help us end Congress' dangerous deficit habit in the way past efforts have not. It will do this by correcting a bias in the present process, which favors ever-increasing levels of Government spending. The balanced budget amendment reduces the spending bias in our present system by ensuring that, under normal circumstances, votes by Congress for increased spending will be accompanied by votes either to reduce other spending programs or to increase taxes to pay for our programs. For the first time since the abandonment of our historical norm of balanced budgets, Congress would be required to cast a politically difficult vote as a precondition to casting a politically attractive vote to increase spending.

Mr. President, the Senate should approve the balanced budget amendment. A vote against the amendment is a vote for the old status quo of irresponsible drift into more insurmountable debt than we already have. Sending the balanced budget amendment to the States is the right thing to do for ourselves, our children and our grandchildren, and it will give us back responsible and accountable constitutional Government.

I just want to say one more word about Social Security. I do not know of one Senator on either side of the aisle who does not want to protect Social Security. You do not write a protection for any particular item in the budget into the Constitution because that would lock it in and make it very difficult to ever make any changes or reforms that must be made.

The fact of the matter is, though, that if we do not pass a balanced budget amendment, Social Security will suffer, because we know by the year 2014, Social Security will start going bankrupt. In fact, many think it is going to start going bankrupt well before then. If we pass a balanced budget amendment, we will have to face these problems, and we will have to face them in a way that will protect those who are on Social Security in ways that, if we do not pass a balanced budget amendment, they will never be protected.

People need to know that is what it is. We have had 15 months of our debt going up $320 billion and that cannot help but have an effect on the financial viability of our country, on the financial viability of Social Security, on the financial viability of the whole world. We have to get it under control. The only methodology that I know of that will get us there, and I think most people will agree will get us there, is a balanced budget amendment locked into the Constitution which all of us revere and worship, which all of us will pay attention to, which all of us will honor and are sworn to uphold that will help us to get these spending practices under control.

I hope we can pass this balanced budget amendment. I do not have any illusions about it, but we are going to have this vote, and if it does go down again, which everybody expects it to, it will not be the last time we vote on this, we will be back next year and the year after, if that is what it takes, until this amendment is locked in the Constitution and people have to face the music here in Congress. It is about time we did.

I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that Senator EXON be recognized at 1 p.m. today.

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

Mr. HOLLINGS. Mr. President, I ask unanimous consent that Senator DORGAN be recognized at 3:30 p.m. today to use whatever time he utilizes under the time he controls and that I be recognized after that.

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

Mr. HOLLINGS. Mr. President, I find it hard to believe my ears. What this really involves is the determined effort by the proponents of Senate Joint Resolution 1 to balance the budget with a constitutional amendment that devastates Social Security over the next 7 years by over $600 billion.

Let me read section 7 of the joint resolution:

> Total receipts shall include all receipts of the United States Government, except those derived from borrowing. Total outlays shall include all outlays of the United States Government, except for those for repayment of debt principal.

We suggested when this came up last year, and again earlier this year, that we were readily prepared to vote for a balanced budget amendment—we are waiting on the majority leader, of course, to make his motion to reconsider—if we add to the existing exclusion in section 7 that ignores those funds derived from borrowing and similarly exclude the Social Security trust fund surpluses.

The distinguished Senator from Utah says, ''Oh, it's so fine, we're going to finally lock it in,'' and he shows a chart with a horrendous debt. He says, ''Now we're going to finally really fix it so we can balance the budget.'' Then in the same breath, he says that ''we're going to protect Social Security.''

Social Security has long been protected. I intend to talk a little later about the history of our efforts to save it in 1983 with the National Commission on Social Security Reform on which the distinguished majority leader, Senator DOLE of Kansas, served.

But more to the point at hand: I made a motion as a member of the Budget Committee on July 10, 1990, that we put in a provision for Social Security protection. The reason being that we were beginning to rob the Social Security trust fund.

When the National Commission on Social Security Reform, the Greenspan commission, issued its report in 1983, they mandated that Social Security would be put off-budget in 1992. But when we saw what was really going on, I worked in bipartisan fashion with Senator Heinz and put into the law section 13301, signed on November 5, 1990, by President George Bush, which reads as follows:

> Exclusion of Social Security from all budgets. Notwithstanding any other provision of law, the receipts and disbursements of the Federal Old Age and Survivors Insurance trust fund, the Federal Disability Insurance trust fund, shall not be counted as new budget authority outlays, receipts or deficit or surplus for purposes of the budget of the U.S. Government as submitted by the President, two, the congressional budget or, three, the Balanced Budget and Emergency Deficit Control Act of 1985. Exclusion of Social Security from the congressional budget, section 301(a) of the Congressional Budget Act of 1974, as amended, by adding at the end the following: ''The concurrent resolution shall not include the outlays and revenue totals of the Old Age Survivors and Disability Insurance Program established under title II of the Social Security Act or the related provisions of the Internal Revenue Code of 1986 in the surplus or deficit totals required by this subsection or in any other surplus or deficit totals required by this title.''

That is the law of the land. The Congressional Research Service and all others reading it who understand the English language know that section 7 of House Joint Resolution 1 repeals that law.

They dutifully praise the Senator from Illinois who stood for long periods of time here with me trying to balance the budget. He has come to me and other Senators on this side of the aisle and said, ''Let's see if we can't compromise.'' I replied, ''I don't mind being realistic, if you want to extend the date or any other wording.'' But Social Security has to be protected. We demonstrated the seriousness of our convictions with Senator DOLE's vote and Senator HOLLINGS' vote, just last year.

Mr. President, just November of last year, on the 16th of November, I put an forth an amendment:

> Notwithstanding any other provision of this joint resolution, the 7-year balanced budget passed by the Congress to the President shall not include the use of Social Security trust funds to reflect a balanced budget.

In other words, that put the Congress on record against any kind of unified budget that included Social Security trust funds. That was passed with Senator DOLE's and Senator HOLLINGS' vote, 97–2, and in the original instance, back 5 years ago, in 1990, it was 98–2.

Yes, we talk about protecting Social Security, but in this constitutional amendment, we avoid that particular protection that is already in the law. Why are they so adamant to do so? Because they cannot present a balanced budget, Mr. President, over that 7-year period without using Social Security trust funds and without other smoke and mirrors.

I have put it into the RECORD many a time. I will put it in again and show

you the particular budget that I submitted. And I said that if you could give me a 7-year balanced budget without an increase in taxes, a realistic budget without the smoke and mirrors, I would jump off the Capitol dome. I tried to convince them. They all said, ''Well, HOLLINGS—what's he for?''

I will put it in here right now in this RECORD. Mr. President, I ask unanimous consent that the Truth-in-Budgeting Act schedules, dated January 23, 1995, be printed in the RECORD.

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

HOLLINGS RELEASES REALITIES ON TRUTH IN BUDGETING

Reality #1: $1.2 trillion in spending cuts is necessary.

Reality #2: There aren't enough savings in entitlements.

*Have welfare reform, but a jobs program will cost; savings are questionable.

*Health reform can and should save some, but slowing growth from 10 to 5 percent doesn't offer enough savings.

*Social security won't be cut and will be off-budget again.

Reality #3: We should hold the line on the budget on Defense; that would be no savings.

Reality #4: Savings must come from freezes and cuts in domestic discretionary spending but that's not enough to stop hemorrhaging interest costs.

Reality #5: Taxes are necessary to stop hemorrhage in interest costs.

	1996	1997	1998	1999	2000	2001	2002
Deficit CBO Jan. 95 (using trust funds)	207	224	225	253	284	297	322
Freeze discretionary outlays after 1998	0	0	0	−19	−38	−58	−78
Spending cuts	−37	−74	−111	−128	−146	−163	−180
Interest savings	−1	−5	−11	−20	−32	−46	−64
Total savings ($1.2 trillion)	−38	−79	−122	−167	−216	−267	−322
Remaining deficit using trust funds	169	145	103	86	68	30	0
Remaining defict excluding trust funds	287	264	222	202	185	149	121
5% VAT	96	155	172	184	190	196	200
Net deficit excluding trust funds	187	97	27	(17)	(54)	(111)	(159)
Gross debt	5,142	5,257	5,300	5,305	5,272	5,200	5,091
Avg. interest rate on debt (in percent)	7.0	7.1	6.9	6.8	6.7	6.7	6.7
Interest cost on the debt	367	370	368	368	366	360	354

Note.—Figures are in billions. Figures don't include the billions necessary for a middle-class tax cut.

Non-Defense Discretionary Spending Cuts	1996	1997
Space Station	2.1	2.1
Eliminate CDBG	2.0	2.0
Eliminate Low-Income Home Energy Assistance	1.4	1.5
Eliminate Arts Funding	1.0	1.0
Eliminate Funding for Campus Based Aid	1.4	1.4
Eliminate Funding for Impact Aid	1.0	1.0
Reduce Law Enforcement Funding to Control Drugs	1.5	1.8
Eliminate Federal Wastewater Grants	0.8	1.6
Eliminate SBA Loans	0.21	0.282
Reduce Federal Aid for Mass Transit	0.5	1.0
Eliminate EDA	0.02	0.1
Reduce Federal Rent Subsidies	0.1	0.2
Reduce Overhead for University Research	0.2	0.3
Repeal Davis-Bacon	0.2	0.5
Reduce State Dept. Funding and End Misc. Activities	0.1	0.2
End P.L. 480 Title I and III sales	0.4	0.6
Eliminate Overseas Broadcasting	0.458	0.570
Eliminate the Bureau of Mines	0.1	0.2
Eliminate Expansion of Rural Housing Assistance	0.1	0.2
Eliminate USTTA	0.012	0.16
Eliminate ATP	0.1	0.2
Eliminate Airport Grant in Aids	0.3	1.0
Eliminate Federal Highway Demonstration projects	0.1	0.3
Eliminate Amtrak Subsidies	0.4	0.4
Eliminate RDA Loan Guarantees	0.0	0.1
Eliminate Appalachian Regional Commission	0.0	0.1
Eliminate Untargeted Funds for Math and Science	0.1	0.2
Cut Federal Salaries by 4%	4.0	4.0
Charge Federal Employees Commercial Rates for Parking	0.1	0.1
Reduce Agricultural Research Extension Activities	0.2	0.2
Cancel Advanced Solid Rocket Motor	0.3	0.4
Eliminate Legal Services	0.4	0.4
Reduce Federal Travel by 30%	0.4	0.4
Reduce Energy Funding for Energy Technology Develop	0.2	0.5
Reduce Superfund Cleanup Costs	0.2	0.4
Reduce REA Subsidies	0.1	0.1
Eliminate Postal subsidies for Non-profits	0.1	0.1
Reduce NIH funding	0.5	1.1
Eliminate Federal Crop Insurance Program	0.3	0.3
Reduce Justice State-Local Assistance grants	0.1	0.2
Reduce Export-Import Direct Loans	0.1	0.2
Eliminate Library Programs	0.1	0.1
Modify Service Contract Act	0.2	0.2
Eliminate HUD Special Purpose Grants	0.2	0.3
Reduce Housing Programs	0.4	1.0
Eliminate Community Investment Program	0.1	0.4
Reduce Strategic Petroleum Program	0.1	0.1
Eliminate Senior Community Service Program	0.1	0.4
Reduce USDA spending for Export Marketing	0.02	0.02
Reduce Maternal and Child Health Grants	0.2	0.4
Close Veterans Hospitals	0.1	0.2
Reduce Number of Political Employees	0.1	0.1
Reduce Management Costs for VA Health Care	0.2	0.4
Reduce PMA Subsidy	0.0	1.2
Reduce Below Cost Timber Sales	0.0	0.1
Reduce the Legislative Branch 15%	0.3	0.3
Eliminate Small Business Development Centers	0.056	0.074
Eliminate Minority Assistance Score, Small Business Institute and Other Technical Assistance Programs, Women's Business Assistance, International Trade Assistance, Empowerment Zones	0.033	0.046
Eliminate New State Department Construction Projects	0.010	0.023
Eliminate Int'l Boundaries and Water Commission	0.013	0.02
Eliminate Asia Foundation	0.013	0.015
Eliminate International Fisheries Commission	0.015	0.015
Eliminate Arms Control Disarmament Agency	0.041	0.054
Eliminate NED	0.014	0.034
Eliminate Fulbright and Other International Exchanges	0.119	0.207
Eliminate North-South Center	0.002	0.004
Eliminate U.S. Contribution to WHO, OAS and Other International Organizations Including the U.N	0.873	0.873
Eliminate Participation in U.N. Peacekeeping	0.533	0.533
Eliminate Byrne Grant	0.112	0.306
Eliminate Community Policing Program	0.286	0.780
Moratorium on New Federal Prison Construction	0.028	0.140
Reduce Coast Guard 10%	0.208	0.260
Eliminate Manufacturing Extension Program	0.03	0.06
Eliminate Coastal Zone Management	0.03	0.06
Eliminate National Marine Sanctuaries	0.007	0.012
Eliminate Climate and Global Change Research	0.047	0.078
Eliminate National Sea Grant	0.032	0.054
Eliminate State Weather Modification Grant	0.002	0.003
Cut Weather Service Operations 10%	0.031	0.051
Eliminate Regional Climate Centers	0.002	0.003
Eliminate Minority Business Development Agency	0.022	0.044
Eliminate Public Telecommunications Facilities Program Grant	0.003	0.016
Eliminate Children's Educational Television	0.0	0.002
Eliminate National Information Infrastructure Grant	0.001	0.032
Cut Pell Grants 20%	0.250	1.24
Eliminate Education Research	0.042	0.283
Cut Head Start 50%	0.840	1.8
Eliminate Meals and Services for the Elderly	0.335	0.473
Eliminate Title II Social Service Block Grant	2.7	2.8
Eliminate Community Services Block Grant	0.317	0.470
Eliminate Rehabilitation Services	1.85	2.30
Eliminate Vocational Education	0.176	1.2
Reduce Chapter 1 20%	0.173	1.16
Reduce Special Education 20%	0.072	0.480
Eliminate Bilingual Education	0.029	0.196
Eliminate JTPA	0.250	4.5
Eliminate Child Welfare Services	0.240	0.289
Eliminate CDC Breast Cancer Program	0.048	0.089
Eliminate CDC AIDS Control Program	0.283	0.525
Eliminate Ryan White AIDS Program	0.228	0.468
Eliminate Maternal and Child Health	0.246	0.506
Eliminate Family Planning Program	0.069	0.143
Eliminate CDC Immunization Program	0.168	0.345
Eliminate Tuberculosis Program	0.042	0.087
Eliminate Agricultural Research Service	0.546	0.656
Reduce WIC 50%	1.579	1.735
Eliminate TEFAP:		
Administrative	0.024	0.040
Commodities	0.025	0.025
Reduce Cooperative State Research Service 20%	0.044	0.070
Reduce Animal Plant Health Inspection Service 10%	0.036	0.044
Reduce Food Safety Inspection Service 10%	0.047	0.052
Total	36.942	58.407

Mr. HOLLINGS. I included that to show how you could do it, how many cuts would be necessary in discretionary spending, with taxes and without taxes at that particular time. I did that because I had heard my colleagues on national TV. On ''Meet the Press,'' I heard the distinguished chairman of the Budget Committee, Senator DOMENICI, on the House side Mr. KASICH, and others say they are going to present a balanced budget.

I got together with the best of minds on the Budget Committee, the staff. We worked all through the month of January. Then we just put it into the RECORD that we had tried. I should note that the spending cuts I included were rather harsh —harsh, harsh. I was not prepared to vote for those unless we got a consensus to go along and really do the job.

But let me not get off my major point here with respect to this resolution. The reason they will not exclude Social Security trust funds and pick up the votes on this side—and they could pick up easily 5 and probably 10 votes, and they know it—is that if they include the exclusion, they will rob their plan of some $600 billion over the 6- to 7-year period.

You know, this is all about the Presidential election. I mean, after all, why have 7 years? It gets us by the election here in November and it gets us by the November election in the year 2000. So anytime you can get past two Presidential elections—and there were high hopes at one time that they were going to have the White House—you would not have any real responsibility to do anything under the constitutional amendment until after you were elected and reelected.

They certainly did not want to go along, even though they could get the balanced budget amendment to the Constitution, for which the Senator from South Carolina has previously voted. I do not mind a balanced budget amendment to the Constitution, but the reason they do not call up a balanced budget amendment that protects Social Security is because they know that they could not then vote for the fraud that is in their recent budget proposal.

I have categorically made this statement again and again for the past 15 years. No real balanced budget has been submitted in that 15-year period, no balanced budget has been submitted by this Congress or the President in the last 15 years. And to have the unmitigated gall to get up here and bring charts to the crowd—I do not know how long the distinguished Senator

from Utah has been in the U.S. Senate, but he has been here a long time. I do not know how long the Senator from Kansas has been here, our distinguished majority leader, but I know he voted with us in 1968 when we balanced the budget. I think the exact date was some time in June 1968. He was in the House and I was in the Senate.

June 20, 1968, was the date of the adoption of the conference report on H.R. 15414 imposing—listen to this, Mr. President, hear ye, all ears take heed—imposing a 10-percent surcharge on personal and corporate income taxes. It required the Federal Government to cut fiscal 1969 expenditures by $6 billion, and to reduce new obligational authority by $10 billion. It required a reduction in the number of Federal employees, extending certain existing excise taxes, accelerating payments of corporation taxes, revising or extending the effective date of certain welfare and medical assistance laws, and including provisions on various other subjects adopted by a vote in the House of Representatives of 268–150. It shows the distinguished Senator from Kansas voting ''aye.''

Mr. President, I ask unanimous consent that the voting record be printed in the RECORD.

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

EXCERPT FROM HOUSE VOTES 109 THROUGH 112

112. HR 15414. Adoption of the conference report (H. Rept. 1533) on HR 15414 imposing a 10-percent surcharge on personal and corporate income taxes, requiring the Federal Government to cut fiscal 1969 expenditures by $6 billion and to reduce new obligational authority by $10 billion, requiring a reduction in the number of federal employees, extending certain existing excise taxes, accelerating payment of corporation taxes, revising or extending the effective date of certain welfare and medical assistance laws, and including provisions on various other subjects. Adopted 268–150: R 114–73; D 154–77 (ND 96–49; SD 58–28), June 20, 1968. A ''yea'' was a vote supporting the President's position.

	109	110	111	112
Kansas:				
1-Dole	Y	Y	N	Y
2-Mize	Y	Y	Y	Y
4-Shriver	Y	Y	Y	Y
5-Skubitz	Y	Y	Y	Y
3-Winn	Y	Y	N	N

Mr. HOLLINGS. Mr. President, that is the Senator from Kansas that we know and love. He was increasing taxes. He was cutting spending. He was getting rid of Federal employees, and right on down through his record as chairman of the Finance Committee—yes, we might as well bring it out categorically—he proposed the largest tax increase in the history of the U.S. Government.

Mr. President, I ask unanimous consent to have printed an article by Judy Mann, entitled ''Fiddling With the Numbers.''

[From the Washington Post]

FIDDLING WITH THE NUMBERS

(By Judy Mann)

Gov. Christine Todd Whitman, the Republican meteor from New Jersey, had the unusual honor for a first-term governor of being asked to deliver her party's response to President Clinton's State of the Union message last week.

And she delivered a whopper of what can most kindly be called a glaring inaccuracy.

Sandwiched into her Republican sales pitch was the kind of line that does serious political damage: Clinton, she intoned, ''imposed the biggest tax increase in American history.''

And millions of Americans sat in front of their television sets, perhaps believing that Clinton and the Democrat-controlled Congress had done a real number on them.

The trouble is that this poster lady for tax cuts was not letting any facts get in her way. But don't hold your breath waiting for the talk show hosts to set the record straight.

The biggest tax increase in history did not occur in the Omnibus Budget Reconciliation Act of 1993. The biggest tax increase in post-World War II history occurred in 1982 under President Ronald Reagan.

Here is how the two compare, according to Bill Gale, a specialist on tax policy and senior fellow at the Brookings Institution. The 1993 act raised taxes for the next 5 years by a gross total of $268 billion, but with the expansion of the earned income tax credit to more working poor families, the net increase comes to $240.4 billion in 1993. The Tax Equity and Fiscal Responsibility Act of 1982, by comparison, increased taxes by a net of $217.5 billion over 5 years. Nominally, then, it is true that the 1993 tax bill was the biggest in history.

But things don't work nominally. ''A dollar now is worth less than a dollar was back then, so that a tax increase of, say $10 billion in 1982 would be a tax increase of $15 billion now,'' says Gale. In fact, if you adjust for the 48 percent change in price level, the 1982 tax increase becomes a $325.6 billion increase in 1993 dollars. And that makes it the biggest tax increase in history by $85 billion.

Moreover, says Gale, the population of the country increased, so that, on a per person basis, the 1993 tax increase is lower than the one in 1982, and the gross domestic product increased over the decade, which means that personal income rose. ''Once you adjust for price translation, it's not the biggest, and when you account for population and GDP, it gets even smaller.''

He raises another point that makes this whole business of tax policy just a bit more complex than the heroic tax slashers would have us believe. ''The question is whether [the 1993 tax increase] was a good idea or a bad idea, not whether it was the biggest tax increase. Suppose it was the biggest? I find it frustrating that the level of the debate about stuff like this as carried on by politicians is generally so low.''

So was it a good idea? ''We needed to reduce the deficit,'' he says, ''we still need to reduce the deficit. The bond market responded positively. Interest rates fell. There may be a longer term benefit in that it shows Congress and the president are capable of cutting the deficit even without a balanced budget amendment.''

Other long-term benefits, he says, are that ''more capital is freed up for private investment, and ultimately that can result in more productive and highly paid workers.''

How bad was the hit for those few who did have to pay more taxes? One tax attorney says that his increased taxes were more than offset by savings he was able to generate by refinancing the mortgage on his house at the lower interest rates we've had as a result. The 1993 tax increase did include a 4.3-cent-a-gallon rise in gasoline tax, which hits the middle class. But most of us did not have to endure an income tax increase. In 1992, the top tax rate was 31 percent of the taxable income over $51,900 for single taxpayers and $86,500 for married couples filing jointly. Two new tax brackets were added in 1993: 36 percent for singles with taxable incomes over $115,000 and married couples with incomes over $140,000; and 39.6 percent for singles and married couples with taxable incomes over $250,000.

Not exactly your working poor or even your average family.

The rising GOP stars are finding out that when they say or do something stupid or mendacious, folks notice. The jury ought to be out on Whitman's performance as governor until we see the effects of supply side economics on New Jersey. But in her first nationally televised performance as a spokeswoman for her party, she should have known better than to give the country only half the story. In the process, she left a lot to be desired in one quality Americans are looking for in politicians: honesty.

Mr. HOLLINGS. Mr. President, I will read one sentence. The entire article is in the RECORD so we know there is no misuse of this particular instrument here: ''The biggest tax increase in post-World War II history occurred in 1982 under President Ronald Reagan.''

Now, Mr. President, we also have the statements from the other media. That statement was in the Washington Post on January 1 of last year. Everybody knows about that quote from the Wall Street Journal dated October 26, 1994: ''Contrary to Republican claims, the 1993 package is not the largest tax increase in history. The 1982 deficit reduction package of President Reagan and Senator Robert Dole in a GOP-controlled Senate was a bigger tax bill, both in 1993 adjusted dollars and as a percentage of the overall economy.'' That was in the Wall Street Journal, October 26, 1994.

Further, from the Washington Post of February 1, 1995: ''The biggest tax increase in history did not occur in the Omnibus Budget Reconciliation Act of 1993. The biggest tax increase in post-World War II history occurred in 1982 under President Ronald Reagan.''

Now, from the New York Times, November 3, 1995: ''It is not true that the $240 billion tax increase approved by Congress in 1993 at Mr. Clinton's behest is the largest in American history, When adjusted for inflation, the only way to make comparison for dollar amounts in different years, a tax increase engineered by Mr. Dole in 1982, when he was chairman of the Senate Finance Committee, was larger.'' That was the New York Times, November 3, 1995. That is the Senator from Kansas that we know and love.

I voted, this Senator from South Carolina, with the Senator from Kansas back in 1968 when we had the last balanced budget. I voted against Reaganomics in 1981 and went along the legislation in 1982 because we could see the disaster coming; deficits were exploding, we needed more revenues, and the budget was getting entirely out of hand. Now, Mr. President, you cannot believe your ears. You cannot believe your ears. Having increased spending over the 15-year period, $250 billion more than we have taken in, on

an average each year, we have run the national deficit—I do not need a chart; all you need is the facts—from less than $1 trillion.

From the beginning of this Nation, in 1776 with the cost of the Revolution, the War of 1812, the Civil War, the Spanish-American War, World War I, World War II, Korea, Vietnam, the cost of all the wars, we still had not run up a debt of $1 trillion. I know we had Desert Storm, but the others are supposed to have paid for it. In a 15-year period, without the cost of a war, we have run amok. We have gone from less than $1 trillion to over $5 trillion.

What is the interest cost? The interest cost now is estimated to be 353 billion bucks next year; that is the April 30 figure by the CBO. Mr. President, I ask unanimous consent to have this table printed in the RECORD.

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

President and year	U.S. budget (outlays in billions)	Trust funds	Real deficit	Gross Federal debt (billions)	Gross interest (Budget realities, Sen. Hollings, 4–17–96)
Truman:					
1945	92.7	5.4		260.1	
1946	55.2	3.9	−10.9	271.0	
1947	34.5	3.4	+13.9	257.1	
1948	29.8	3.0	+5.1	252.0	
1949	38.8	2.4	−0.6	252.6	
1950	42.6	−0.1	−0.1	256.9	
1951	45.5	3.7	+1.6	255.3	
1952	67.7	3.5	−3.8	259.1	
1953	76.1	3.4	−6.9	266.0	
Eisenhower:					
1954	70.9	2.0	−4.8	270.8	
1955	68.4	1.2	−3.6	274.4	
1956	70.6	2.6	+1.7	272.7	
1957	76.6	1.8	+0.4	272.3	
1958	82.4	0.2	−7.4	279.7	
1959	92.1	−1.6	−7.8	287.5	
1960	92.2	−0.5	−3.0	290.5	
1961	97.7	0.9	−2.1	292.6	
Kennedy:					
1962	106.8	−0.3	−10.3	302.9	9.1
1963	111.3	1.9	−7.4	310.3	9.9
Johnson:					
1964	118.5	2.7	−5.8	316.1	10.7
1965	118.2	2.5	−6.2	322.3	11.3
1966	134.5	1.5	−6.2	328.5	12.0
1967	157.5	7.1	−11.9	340.4	13.4
1968	178.1	3.1	−28.3	368.7	14.6
1969	183.6	−0.3	+0.9	365.8	16.6
Nixon:					
1970	195.6	12.3	−15.1	380.9	19.3
1971	210.2	4.3	−27.3	408.2	21.0
1972	230.7	4.3	−27.7	435.9	21.8
1973	245.7	15.5	−30.4	466.3	24.2
1974	269.4	11.5	−17.6	483.9	29.3
Ford:					
1975	332.3	4.8	−58.0	541.9	32.7
1976	371.8	13.4	−87.1	629.0	37.1
Carter:					
1977	409.2	23.7	−77.4	706.4	41.9
1978	458.7	11.0	−70.2	776.6	48.7
1979	503.5	12.2	−52.9	829.5	59.9
1980	590.9	5.8	−79.6	909.1	74.8
Reagan:					
1981	678.2	6.7	−85.7	994.8	95.5
1982	745.8	14.5	−142.5	1,137.3	117.2
1983	808.4	26.6	−234.4	1,371.7	128.7
1984	851.8	7.6	−193.0	1,564.7	153.9
1985	946.4	40.6	−252.9	1,817.6	178.9
1986	990.3	81.8	−303.0	2,120.6	190.3
1987	1,003.9	75.7	−225.5	2,346.1	195.3
1988	1,064.1	100.0	−255.2	2,601.3	214.1
Bush:					
1989	1,143.2	114.2	−266.7	2,868.0	240.9
1990	1,252.7	117.2	−338.6	3,206.6	264.7
1991	1,323.8	122.7	−391.9	3,598.5	285.5
1992	1,380.9	113.2	−403.6	4,002.1	292.3
Clinton:					
1993	1,408.2	94.2	−349.3	4,351.4	292.5
1994	1,460.6	89.1	−292.3	4,643.7	296.3
1995	1,514.4	113.4	−277.3	4.921.0	332.4
1996	1,572.0	126.0	−270.0	5.191.0	344.0
Est. 1997	1,651.0	127.0	−292.0	5.483.0	353.0

Historical Tables, Budget of the U.S. Government FY 1996: Beginning in 1962 CBO's "1995 Economic and Budget Outlook."

Mr. HOLLINGS. Mr. President, the distinguished Senator is running for President and he is getting the praises. He also ought to get the facts. He is running on his record. "He gets results, results, results." Well, heavens above, what is the result? We are spending $1 billion a day for nothing. Now, they could perhaps assess the blame to the Senator from South Carolina, or the Senator from Kansas, or any of the other Senators that have been around the last 15 years, but you can look at your books—Mr. President, they cannot blame President William Jefferson Clinton. He is the only President who has come to town since Lyndon Johnson that has cut the deficit.

The Republicans have the unmitigated gall, totally shameless, to single out the one individual that came in and said we are going to cut the deficit $500 billion, we are going to tax gasoline, we are going to tax Social Security and in return get the finest result to the economy that you could possibly imagine. Meanwhile, Senators on the other side of the aisle said they would be hunting us in the street and shooting us down like dogs and all that nonsense. We could not get a single Republican vote in the U.S. Senate. We could not get a single Republican vote in the U.S. House of Representatives.

But President Clinton stuck to his guns. We stuck to our guns. Yes, we were responsible for those spending cuts. We are responsible for those tax increases and we are responsible for the wonderful economy, the low inflation rate, the creation of over 8 million jobs and everything else. Yet they have come out to point fingers, when they are the ones who caused this waste of $1 billion a day for nothing. Interest costs have gone up from $75 billion in 1980–81 to $353 billion. Just in round figures that is a $275 billion increase in spending for nothing—no Government, no schools, no highways, no law enforcement, no foreign aid, no welfare, no nothing.

The crowd that caused this waste has now come around in this Presidential race and are trying to throw a long

pass. Please. I never heard of such foolishness—here we are dead broke, we are spending $1 billion a day. Nobody has proposed that kind of spending cut or tax increase. Now we have the distinguished Senator from Kansas who wants to repeal the gas tax, $30 billion. He wants to have a missile defense of $60 billion. He now is going to propose an across-the-board cut of $600 billion. Anything to get elected. Come on. I have a hard time when I wake up every morning and come to the office to face this problem. That is why I asked for this extra time on this measure.

They should not get the votes for this disaster. Coming around here with a constitutional amendment, like a crowd at a football game up in the grandstand hollering, ''We want a touchdown, we want a touchdown.'' Heck, we are the team. We are on the field. What have they done, other than procedure—to pass it on to the States, and after two or three elections, 7 years from now, with the State's ratification—or 2, 3 years, whatever—pass it to the States and let them ratify and come back and let the Congress then go along with the ratification. Anything to push off our responsibility and act like we are not here. They bring in charts and blame the one individual that has cut the deficit since he took office. Down in Arkansas he had a track record of 10 years of balancing budgets. He comes to town with these interest costs and a horrendous debt. What does he do? He submits a realistic budget that would have the economy in good shape, and we can not get a single vote. And they have the unmitigated gall to come up here and say they are leading the way, and that President Clinton does not want a balanced budget while they do. They are the ones who caused these horrendous deficits.

Then I look at the screen from the Republican TV channel, channel 2, and here is what it has on there. It says: ''Interest costs on the national debt account for 15 percent of all Federal spending.'' False. Interest costs on the debt are 27 percent of all Federal spending. Mark it down. I have to correct this myself. I cannot get the newspapers to do it.

Republican statement on the TV channel: ''40 cents of every Federal income dollar goes to pay interest on the national debt.'' Fact: 54 cents of every Federal income tax dollar goes to pay interest on the national debt.

Republican statement: ''Annual interest cost on the national debt almost equals annual discretionary spending.'' Fact: Annual interest costs far exceed discretionary spending. Discretionary spending—which is inclusive of international affairs—for 1996 is $267 billion. The 1996 interest on the debt is $344 billion.

Another Republican statement—they just put out—you talk about truth and who has character, come on. ''Annual interest costs on the national debt almost equals the cost of national defense.'' That is on the Republican screen right now, so all the Republican Senators can glean these quick misinformations and run out on the Senate floor and act like they have studied the problem and know what they are talking about. False. The fact is, annual interest costs far exceed the cost of national defense. The 1996 defense spending is $265 billion. Interest costs on the debt are $344 billion.

Now, Mr. President, I hardly know how you are supposed to make sense out of this ''non-sense''. All that these plans accomplish is to move the deficit from the general Government over to Social Security. And they talk like it is a given: ''Unified budget, unified budget, unified budget.'' That is my distinguished colleague from New Mexico, the chairman of the Budget Committee. I know he is a brilliant Senator, and I know he knows differently.

I want to go now to the Social Security record because, Mr. President, we have had a difficult time zeroing in on how we got to where we are. I hold the report of the National Commission on Social Security Reform, dated January 1983—right on page 23 it says: ''The National Commission was able to reach a consensus for meeting the short-range and long-range financial requirements by a vote of 12–3.''

The distinguished Senator from Kansas was included in that vote, Mr. President, and he bragged openly to the Catholic Conference on May 26—just this past month—that he helped save Social Security in 1983. In the short term, he did. He was a member of the commission. And one of their conclusions, point 21 on page 224, was: ''A majority of the members of the national commission recommends that the operation of OASI, DI, HI, and SSI trust funds should be removed from the unified budget. Some of those who do not support this recommendation believe that the situation would be adequately handled if the operations of the Social Security Program were displayed within the present unified Federal budget as a separate budget function, apart from the other income security programs.''

Now, Mr. President, there is no question that the distinguished Senator from Kansas supported that. And Senator DOLE referred, in his additional views along with Congressman Conable, who was chairman then on the House side, in statement 5, page 2, to the short and long-term deficits in Social Security: ''In our judgment, $150 billion to $200 billion is the amount required to keep the system solvent through 1990, and over the very long-term, the next 75 years, the needs of the system amount to about $25 billion a year.'' Thus, there was an understanding that we were making necessary changes to ensure the integrity of the Social Security system.

Now, moving on, to save time, Mr. President, again, on statement 5, page 7: ''Accumulating considerably larger reserves is desirable,'' said the Senator from Kansas. But now those reserves are what he is trying to eliminate—eliminate about $600 billion to get this farcical constitutional amendment. We have never written a farce into the Constitution. I hope we do not put a farce in it now, because we know what the farce is. ''Accumulating considerably larger reserves is desirable.'' And then the Senator said later on, ''Trust fund reserves have been on a downhill coast for years.'' So he was very concerned as chairman of the Finance Committee at that particular time. He stated so in his submission of the particular bill on March 16, 1983, as the chairman when he said, ''OASI, DI in the particular bill actually generates a surplus.'' Again, a particular caveat or catchall to make sure it does not go below. On page 22, on March 16, Senator DOLE says, ''If the reserves fall below 20 percent of the annual outgo, the annual COLA would be based on the lower increase in wages and prices.''

So they put in the 20-percent cushion, and constantly throughout referred to the effect on the trust funds. Now, the only reason I emphasize that is to show that in 1983 the distinguished Senator wanted to have trust funds. But they also wanted to ensure that the trust fund was off budget.

Let me read from the actual CONGRESSIONAL RECORD of March 24, 1983, on the House side.

It says:

> D. Separate treatment of trust fund operations under unified budget. Beginning with 1969, the financial operations of the Social Security trust funds have been included in the unified budget of the Federal Government. House bill: House bill provides for the display of OASI, SI and DI fund operations as a separate function within the budget. Beginning with the fiscal year 1989, these trust fund operations would be removed from the unified budget—Senate amendment, no provision.

The conference agreement, here is what they agreed to:

> The conference agreement follows the House bill except that the trust fund operations would not be removed from the unified budget until the fiscal year 1992.

So the conference committee chose to follow the recommendation in the Greenspan commission report and adopted into law that by 1992 you would take Social Security off-budget as a true trust fund.

When we started to see these surpluses being used to make the deficit look smaller, we decided we couldn't wait until 1992. On July 10th, 1990, in the Budget Committee, by a vote of 20 to 1, we put Social Security trust funds off budget and abolished the unified budget, including inclusion of Social Security. In that vote, 20 to 1, the one dissenting vote was the distinguished Senator from Texas, Senator GRAMM.

Let me say what we did when we adopted the law in 1983 and go back to what Mr. Heinz said, the former distinguished Senator from Pennsylvania, our great colleague, John Heinz, and I quote:

> Mr. President, unless we separate Social Security from the budget, it is absolutely inconceivable to me that we are going to be

able to finance Social Security in any kind of rational way in the long run. Left in the unified budget, there does not seem to be anything we are going to be able to do except spend Social Security surpluses on other programs in the surplus years and our Social Security in the deficit years. Without some assurance that this program will be treated like the Social Security insurance program that it is, how can we expect young workers who are paying millions to pay anything into Social Security today, nearly 100 million of them, to trust that the benefits that they pay in taxes are going to be in when they retire 30 years from now? The answer is, unless we separate Social Security, as I provided, I do not think we can.

So it was Senator Heinz on the Republican side, in a bipartisan initiative in 1990, by a vote of 98 to 2—who worked with me to do just exactly that by law. It is the law today. It was signed by a Republican President, George Bush, but now under this constitutional amendment is about to be repealed.

They talk about protecting Social Security. But they are trying to disregard the protection we already have. We owe Social Security $520 billion as of the end of April. That is how much has been borrowed from Social Security. Tack on under this particular constitutional amendment another $600 billion as planned in the Republican budget by the year 2002. In the end, we may pass a constitutional amendment, but even if it was adhered to and things fell into place under a best-case scenario, we would end up saying, Yes, we balanced the budget, but we devastated Social Security. We would owe Social Security $1.14 trillion. And who is going to raise taxes for that? Yet, they sit up here in solemn dignity talking about who is for balanced budgets, the very crowd that devastated us, devastated the plan.

I do not know how you make sense out of this crowd. I do not know how you make sense out of the media.

James Fallows wrote a very interesting volume entitled ''Breaking the News.'' In there he discussed the dichotomy between Walter Lippmann and John Dewey. Lippmann and Dewey both agreed that we should have an outstanding press and an expert press, and to a great extent, we do. They know these things. Unfortunately, they have gotten into the habit of taking polls, because they want to be ahead of the news. So they gather news and then they find the stories to support the polls. That is an incestuous kind of thing and consequently, the press ends up making the news rather than reporting the news.

But Dewey went further, by saying that the American public should be engaged. It is Fallows' position that the public has not been engaged, nor have they been made to feel a part of the process so that they could understand hard facts. He states in his book that the press has a duty to report the truth even if they have to go against public opinion. We as a society are not getting those truths reported.

Unfortunately, this particular Senator takes issue with the idea about the public being engaged. The public knows, and they want to be disengaged. They get this all ''spew time'' on the 7 o'clock news, they get this all spew time in the magazines, the daily press, and the media. It is a deluge. All they hear from us is this preelection off-Broadway show on the floor of the national Congress complete with charts.

The little tidbit of the moment this morning is that Medicare is going broke in the year 2001. So what has changed? That was the report when President Clinton took office. It was going broke in the year 2001. He extended—oh, they do not want to say that—he extended it into 2002; 1993 was his first assault on Medicare spending, because, yes, we not only cut spending $500 billion, we not only increased taxes some $240 billion, but we cut Medicare $57 billion without a Republican vote.

They came in here with these tremendous tax cuts, which, unfortunately, my friend, Stevie Forbes, has the Republican nominee talking about now. I hope he does not go overboard with that nonsense. Because I can report to you exactly where that nonsense started. Here it goes again.

I want to include, Mr. President, an article from the New Perspectives Quarterly of March 22, 1993, by none other than David A. Stockman, the daddy rabbit of Reaganomics.

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:

[From New Perspectives Quarterly, Mar. 22, 1993]

AMERICA IS NOT OVERSPENDING; NORTH AMERICA: THE BIG ENGINE THAT COULDN'T

(By David A. Stockman)

David A. Stockman Director of the Office of Management and Budget from 1981 to 1985, during the first years of the ''Reagan Revolution,'' David Stockman left office amid the lingering controversy caused by his revelations in the Atlantic magazine about the internal Administration politics which, Stockman said, would result in untenable deficits.

Stockman's memoirs of those years are entitled A Triumph of Politics: How the Reagan Revolution Failed. He is currently a General Partner at the Blackstone Group, a New York investment house.

President Clinton's economic plan deserves heavy-duty criticism—particularly the $190 billion worth of new boondoggles through FY1998 that are euphemistically labelled ''stimulus'' and ''investment'' programs. But on one thing he has told the unvarnished truth. There is no way out of the elephantine budget deficits which have plagued the nation since 1981 without major tax increases.

In this regard, the full-throated anti-tax war cries emanating from the GOP since February 17 amount to no more than deceptive gibberish. Indeed, if Congressman Newt Gingrich and his playmates had the parental supervision they deserve, they would be sent to the nearest corner wherein to lodge their Pinocchio-sized noses until this adult task of raising taxes is finished.

The fact is, we have no other viable choice. According to the Congressional Budget Office (CBO) forecast, by FY1998 we will have practical full employment and, also, nearly a $400 billion budget deficit if nothing is done. The projected red ink would amount to five percent of GNP, and would mean continuing Treasury absorption of most of our meager net national savings through the end of the century. This is hardly a formula for sustaining a competitive and growing economy.

The root problem goes back to the July 1981 frenzy of excessive and imprudent tax-cutting that shattered the nation's fiscal stability. A noisy faction of Republicans have willfully denied this giant mistake of fiscal governance, and their own culpability in it, ever since. Instead, they have incessantly poisoned the political debate with a mindless stream of anti-tax venom, while pretending that economic growth and spending cuts alone could cure the deficit.

It ought to be obvious by now that we can't grow our way out. If we should happen to realize CBO's economic forecast by 1998, wouldn't a nearly $400 billion deficit in a full employment economy 17 years after the event finally constitute the smoking gun?

To be sure, aversion to higher taxes is usually a necessary, healthy impulse in a political democracy. But when the alternative becomes as self-evidently threadbare and groundless as has the ''growth'' argument, we are no longer dealing with legitimate skepticism but with what amounts to a demagogic fetish.

Unfortunately, as a matter of hard-core political realism, the ritualized spending cut mantra of the GOP anti-taxers is equally vapid. Again, the historical facts are overwhelming.

Ronald Reagan's original across-the-board income tax cut would have permanently reduced the federal revenue base by three percent of GNP. At a time when defense spending was being rapidly pumped up, and in a context in which the then ''conservative'' congressional majority had already decided to leave 90 percent of domestic spending untouched, the Reagan tax rate cut alone would have strained the nation's fiscal equation beyond the breaking point. But no one blew the whistle. Instead, both parties succumbed to a shameless tax-bidding war that ended up doubling the tax cut to six percent of GNP—or slashing to nearly one-third the permanent revenue base of the United States government.

While delayed effective dates and phase-ins postponed the full day of reckoning until the late 1980s, there is no gainsaying the fiscal carnage. As of August, 1981, Uncle Sam had been left to finance a 1980s-sized domestic welfare state and defense build-up from a general revenue base that was now smaller relative to GNP than at any time since 1940!

In subsequent years, several ''mini'' tax increase bills did slowly restore the Federal revenue base to nearly its post-war average share of GNP. The $2.5 trillion in cumulative deficits since 1981, however, is not a product of ''over-spending'' in any meaningful sense of the term. In fact, we have had a rolling legislative referendum for 12 years on ''appropriate'' Federal spending in today's society—and by now the overwhelming bi-partisan consensus is crystal clear.

Cash benefits for Social Security recipients, government retirees and veterans will cost about $500 billion in 1998—or six percent of prospective GNP. The fact is they also cost six percent of GNP when Jimmy Carter came to town in 1977, as they did when Ronald Reagan arrived in 1981, Bush in 1989 and Clinton in 1993.

The explanation for this remarkable 25 years of actual and prospective fiscal cost stability is simple. Since the mid-1970s there has been no legislative action to increase benefits, while a deep political consensus has steadily congealed on not cutting them, either. Ronald Reagan pledged not to touch Social Security in his 1984 debate with Mondale; on this issue Bush never did move his

lips; and Rep. Gingrich can readily wax as eloquently on the ''sanctity'' of the nation's social contract with the old folks as the late Senator Claude Pepper ever did.

The political and policy fundamentals of the $375 billion prospective 1998 cost of Medicare and Medicaid are exactly the same. If every amendment relating to these medical entitlements which increased or decreased eligibility and benefit coverage since Jimmy Carter's inauguration were laid end-to-end, the net impact by 1998 would hardly amount to one to two percent of currently projected costs.

Thus, in the case of the big medical entitlements, there has been no legislatively driven ''overspending'' surge in the last two decades. And since 1981, no elected Republican has even dared think out loud about the kind of big changes in beneficiary premium costs and co-payments that could actually save meaningful budget dollars.

To be sure, budget costs of the medical entitlements have skyrocketed—but that is because our underlying health delivery system is ridden with inflationary growth. Perhaps Hillary will fix this huge, systemic economic problem. But until that silver bullet is discovered, there is no way to save meaningful budget dollars in these programs except to impose higher participation costs on middle and upper income beneficiaries—a move for which the GOP has absolutely no stomach.

Likewise, the ''safety net'' for the poor and price and credit supports for rural America cost the same in real terms—about $100 billion—as they did in January, 1981. That is because Republicans and Democrats have gone to the well year after year only to add nickels, subtract pennies, and, in effect, validate over and over the same ''appropriate'' level of spending.

On the vast expanse of the domestic budget, then, ''overspending'' is an absolute myth. Our post-1981 mega-deficits are not attributable to it; and the GOP has neither a coherent program nor the political courage to attack anything but the most microscopic spending marginalia.

It is unfortunate that having summoned the courage to face the tax issue squarely, President Clinton has clouded the debate with an excess of bashing the wealthy and an utterly unnecessary grab-bag of new tax and spending giveaways. But that can be corrected in the legislative process—and it in no way lets the Republicans off the hook. They led the Congress into a giant fiscal mistake 12 years ago, and they now have the responsibility to work with a President who is at least brave enough to attempt to correct it.

(Mr. ASHCROFT assumed the chair.)

Mr. HOLLINGS. Mr. President, I thank the distinguished Chair. The entire article is there, but let me just read this paragraph. How did this all get started, that chart of yours—if you want to know where that chart started, it did not start under President Clinton. He has reduced the deficit.

He has reduced the deficit. The debt they show on that chart that goes from less than $1 trillion on up to over $5 trillion occurred under you and me. And I quote:

The root problem goes back to the July 1981 frenzy of excessive and imprudent tax cutting that shattered the Nation's fiscal stability. A noisy faction of Republicans have willfully denied this giant mistake of fiscal governance and their own culpability in it ever since. Instead they have incessantly poisoned the political debate with a mindless stream of antitax venom while pretending that economic growth and spending cuts alone could cure the deficit. It ought to be obvious by now that we can't grow our way out.

So much for growth, so much for tax cuts, so much for the ying-yang of entitlements. They had in the Atlantic Monthly this past issue an article by my friend Peter Peterson, former Secretary of the Treasury as well as in the Department of Commerce, and eminent fiscal expert. But he says the father of all unfunded mandates is Social Security and Medicare.

It's absolutely ridiculous when you get the best of the best talking that nonsense. Social Security has a surplus of $520 billion. Medicare has a surplus of $130 billion according to the April 30 Treasury report. So we have surpluses that they would call unfunded mandates. This misconception is followed by Time Magazine saying that the biggest thing causing the deficit is these runaway entitlements. All absolutely false.

What is in deficit, Mr. President, is the general Government. There is one big sham, one big fraud that is going on here in the National Government. And the people are enraged because they know about it. They are paying more and getting less Government. And, of course, the pollsters are off on that bit about get rid of the Government, get rid of the Government, get rid of the Government. The Government is not the solution; the Government is the enemy.

The fact is that we can spend money and save money, but these interest costs on the debt keep going up and away. Payment is required just like taxes. They say two things you cannot avoid are death and taxes. The third thing is interest costs on the debt. They are interest taxes going up on automatic pilot. As we talk today, while we talk, it will go up another billion bucks. And what is broke today is the Government, not the entitlements.

Now, I commend my distinguished friend from Nebraska, BOB KERREY, and the former Senator from Missouri, JACK DANFORTH. I voted for the Kerrey amendment to the budget resolution because, yes, I agree we have to get a bridle on this animal. We are going to have to gradually raise the retirement age. We are going to have to consider other changes such as holding up on the COLA's.

I have voted for a COLA freeze in the past. I have proposed budget freezes. I have proposed automatic spending cuts across the board. I have even proposed increasing taxes to reduce the deficit. But, Mr. President, you cannot get it now from this group. They are the ones who do not want to pay for Government. And they have the audacity to come here with these runaway spending programs and ridiculous allegations that the President is against defense. It is all a political act. They know he is oversensitive about defense and that he is going along with what the Joint Chiefs want.

I was with Danny Graham. I got the first SDI award. Do not tell me about SDI and its support. I still support it. But after spending almost 90 billion bucks and having nothing to show for it, now is the time to stop, look, and listen and move in a measured way, as the distinguished Senator from Georgia, SAM NUNN, says to do and the Joint Chiefs say to do. But instead of being practical, they give us political theatre. And this particular constitutional amendment is another act where they try to make the President look bad for not being able to get the Democrats' vote.

Come on. The President did not get my vote on GATT. He did get my vote on NAFTA. I have a lot of things on which he is not going to get my vote. What are you talking about, get the vote.

But the Republicans can get HOLLINGS' vote in a flash if they protect Social Security. Just put in section 7 that Social Security funds are excluded. Why not write what the law requires and what we all say should be done to give the children and grandchildren a sense of trust, reliance, and respect for Government. There is no such thing as a unified budget with Social Security. By law Social Security is off-budget. But now they put in the constitutional amendment these different statements here.

Some may ask, what does the Senator from South Carolina want? Everybody knows, or should know, that the Senator from South Carolina works in a bipartisan fashion. This Senator, you are looking at him, got the only bipartisan thing done in the last 2 years, the telecommunications bill. I know it. The public knows it. I worked for 4 years on that. We worked with the Republicans and Democrats and we got 91 votes, 91 of the Senators on the floor. So I know how to work in a bipartisan way.

In fact, I worked with President Johnson to balance the budget in a bipartisan way. But when President Reagan came to town with the so-called Kemp-Roth tax cut, I knew we were headed for the pits. I knew it. Senator DOLE knew it. I can show you his statements critical of Kemp-Roth. He was not any supply-side chairman of Finance. He knew better. Senator Howard Baker, the majority leader, sat right down there at that first desk and he shrugged his shoulders and said this is a riverboat gamble. You did not get elected to come up here and gamble like a riverboat gambler. And I will not go along with it.

Vice President George Herbert Walker Bush called it ''voodoo.'' How in Heaven's name can you cut your revenues, increase all your spending for defense, as elicited by Warren Rudman in his recent book, and expect a balanced budget? Who is that stupid? We continue to practice pollster-driven politics and focus on hot-button issues. But the public knows better.

So I voted against Reaganomics. I voted for the spending cuts. I voted for the tax increases. And I want to correct the record in that Rudman book,

which I have a little time to do. The inference is, in that first chapter, that Senator HOLLINGS had some doubts about Gramm-Rudman-Hollings and later asked for a divorce. It implies that I acted like I was just along for the ride.

Let me tell you now, the Senator from South Carolina worked in a bipartisan fashion like a dirty dog, over the objection of the Democratic majority leader, over the objection of the Democratic chairman of the Budget Committee. On 14 votes, up or down, we got a majority of Democrats to vote for across-the-board spending cuts of Gramm-Rudman-Hollings: $36 billion a year.

Incidentally, I helped write Gramm-Rudman-Hollings. I used this budget tool as Governor. I got a balanced budget. I got the first triple-A credit rating. The distinguished former Governor and occupant of the Chair knows what I mean. We do not have a triple-A credit rating in the great State of South Carolina now. I got it. It has been lost. So I know how hard it is to work and get from Standard & Poor's a triple-A credit rating. I did it with a rule we had in the legislature of automatic cuts across the board, and that is all Gramm-Rudman-Hollings was. If you did not meet the target of spending cuts, then the law did it for you.

You could see the maneuvering and extension of a year and extension again of another year. So, 1987 we were still serious, eight of us, in a bipartisan fashion. I am qualifying myself as a witness. With six Democrats and two Republicans, Senator Boschwitz and Senator Danforth, myself and others, we voted for a value-added tax of 5 percent to eliminate the deficit and the debt. We knew we needed spending cuts. We knew we wanted Gramm-Rudman-Hollings. We knew we had to cut the size of the Federal Government. We knew we had to have spending freezes. But we also realized in that vote—and it was after a very serious, studied debate in the Budget Committee—that balancing the budget also required increasing revenues.

I appeared before the Finance Committee. I have testified twice. I met with the expert, Dr. Cnossen, who knows all about VAT's. I later met with the then-chairman, Senator Moynihan of New York, of the Finance Committee, and I am willing to appear again. I have introduced my legislation again in this Congress because I know you cannot possibly get a balanced budget without also raising revenues.

The way they have been doing it is, No. 1, rob the trust funds, not just Social Security to the tune of $1.2 trillion. They have the highway trust funds, and the House crowd just acted to take the transportation trust funds off-budget. They said, ''Wait a minute, you are taking our highway funds.'' They said, ''Wait a minute, you are taking our airport improvement moneys,'' to make the airports safe and everything else of that kind, ''and using it on foreign aid, or welfare, or defense, or whatever. You are not spending it for its purpose.''

So the House is has acted on that measure. But there are still other trust funds: They are using military pension surpluses, they are using civil service pensions, and everything else of that kind, to the tune right now of $1.2 trillion. So, we put forth, in a bipartisan fashion, a value-added tax. Then, in a bipartisan fashion, we enacted section 13301 to protect Social Security.

Thereafter, in April 1991, we wanted to answer the catcall that we heard from some Members on this side and on the other side of the aisle about the annual surpluses in Social Security. The distinguished Senator from New York, Senator MOYNIHAN, Senator KASTEN of Wisconsin, and myself, we offered an amendment to cut—what; taxes? Social Security payroll taxes.

We had the argument about the payroll taxes. I do not know why they are talking about cutting taxes again, just in time for the 1996 election. Why don't they look at how the distinguished Senator from Kansas voted back in 1991. He could have cut Social Security taxes, and supported truth in budgeting. We offered that amendment in April 1991, in a bipartisan fashion, and we got voted down.

Now, they have the audacity to come here, at this particular time, and talk on and on and on about who is for deficits. Let me be categorical about this. I know what President Reagan did, because I put into the RECORD the statement made by none other than the Director of his Office of Management and Budget, David Stockman. I was there and I saw it. I said, man, if this thing works, we can all go back home. Every Governor will start cutting his revenues. Go to the mayor of the city. I wish you would go back to your mayor wherever you live and say we have a new way of doing things. What we ought to do is cut your revenues. But cut your revenues 25 percent and see what your bond rating is then. You will have to lay off your firemen and policemen and everything else like that, and you will get run out of the mayor's office.

Try that on as a Governor. They try to give these tired arguments a kind of dignity and bring out charts and everything else. They claim they need a $500 or $600 billion cut to get the economy moving, but then they have Greenspan trying to hold growth down to 2.5 percent.

We could take care of a lot of deficits here if we had more growth, but that is another debate. The fact of the matter is, they come out with all of these things about tax cuts, getting rid of the 4.3-cent gasoline tax added in 1993, $30 billion over those years. I voted for it. It is working. In fact, we know the price of gasoline went down after we put on the tax.

It is the fourth quarter in the Presidential race. They are throwing the bomb, anything to bring the candidate alive, anything to bring the candidate alive—actually changing his entire congressional record of fiscal responsibility. You have him now for growth where he was not before. You have now for tax cuts when he was for tax increases and voted for and supported them and led the way for fiscal responsibility. You have him going along with any kind of thing to satisfy some small group that they have there—even assault weapons, I think.

Anybody knows you cannot let assault weapons be used around this country. Come on. But now they want to court another particular group in the polls, so they pick another hot-button item, and try to complete a long pass play.

Welfare reform—let it be shown that on welfare, we have worked and worked hard and had a good record. But then they wanted to abandon the children. I think it is on course again now, so I will not say any more, but I would be glad to get into that debate, because you cannot immediately save money by putting people to work, instituting an employment program, instituting day care, transportation and all these other things.

In the outyears you might, hopefully, get them off welfare, and I would go along with that and want to support it. But in the meantime, let us not continue to attack children's programs to the tune of $60 billion and then in the same breath say, Let's have $60 billion for SDI, because we've put ''Defend America'' in the title of the bill.

The time is now, Mr. President, to rebuild the strength of our economy. Our Nation's strength is like a three-legged stool. We have the one leg of values as a nation. That is strong. We feed the hungry in Somalia. We help develop democracy in Haiti. We commit troops for peace in Bosnia. We stand for freedom around the world and for this Americans are willing to sacrifice. The values leg is strong.

The second leg of military is unquestioned.

The third leg that is fractured and almost causes us to topple is the economic leg, and that is easily understood. For 50 years now, in trying to spread capitalism, defeat communism, spread democracy the world around, we sacrificed our economy. I have had many a debate on textiles. Others have had it on steel and iron and different manufacturing. The truth is that Japan is a larger manufacturing nation than the United States of America. The truth is, we have been blindsided. Read ''Blindside'' by Eamon Fingleton.

Now is the time to start rebuilding our Nation's health. Let's start with those on welfare and, more than anything else, yes, let's continue this initiative for children because in the long run, it will save us money. I wrote a book on hunger. I worked to establish the women, infants and children feeding program or WIC. You cannot rebuild a strong America by denying the infants and expectant mothers access

to nutritional programs. For every dollar we spend in WIC, we save $3.

You are not going to build a strong America by denying Head Start to 5- and 6-year-olds. For every dollar we put in to Head Start, we save $4.25.

We are not going to build a strong America by denying school lunches to the 6- and 7-year-olds.

We are not going to build a strong America by denying title I to the disadvantaged 9- and 10-year-olds.

You are not going to build a strong America by denying summertime jobs.

You are not going to build a strong America by denying student loans for youngsters, 16-year-olds, to go to college.

These are the programs we are cutting, and meanwhile we are all talking about who is really telling the truth, who is really for reducing the deficit, who is really for a balanced budget, and we go through this silly act. People blame both sides, and they should blame both sides. That is why the American public does not turn out in force for national elections.

Now is the time to get real. Cut out the balanced budget amendments and let's balance the budget. Give it to us, and I will support it, I will go to conference. As a former chairman of the Budget Committee, I will work in a bipartisan fashion. We can balance this budget. It is going to be tough, but we will all have to work together to do it. We can't afford to keep turning it into Presidential political headlines.

It goes without saying that these particular budgets have never been balanced.

Mr. President, I ask unanimous consent a letter from June O'Neill of October 18 to the distinguished chairman of the Budget Committee be printed in the RECORD.

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

CONGRESSIONAL BUDGET OFFICE,
October 18, 1995.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed the legislation submitted to the Senate Committee on the Budget by eleven Senate committees pursuant to the reconciliation directives included in the budget resolution for fiscal year 1996 (H. Con. Res. 67). CBO's estimates of the budgetary effects of each of those submissions have been provided to the relevant committees and to the Budget Committee. Based on those estimates, using the economic and technical assumptions underlying the budget resolution, and assuming the level of discretionary spending specified in that resolution, CBO projects that enactment of the reconciliation legislation submitted to the Budget Committee would produce a small budget surplus in 2002. The effects of the proposed package of savings on the projected deficit are summarized in Table 1, which includes the adjustments to CBO's April 1995 baseline assumed by the budget resolution. The estimated savings that would result from enactment of each committee's reconciliation proposal is shown in Table 2.

As you noted in your letter of October 6, CBO published in August an estimate of the fiscal dividend that could result from balancing the budget in 2002. CBO estimated that instituting credible budget policies to eliminate the deficit by 2002 could reduce interest rates by 150 basis points over six years (based on a weighted average of long-term and short-term interest rates) and increase the real rate of economic growth by 0.1 percentage point a year on average, compared with CBO's economic projections under current policies. CBO projected that the resulting reductions in federal interest payments and increases in federal revenues would total $50 billion in 2002 and $170 billion over the 1996–2002 period. Those projections were based on a hypothetical deficit reduction path developed by CBO. The deficit reductions estimated to result from the reconciliation legislation submitted to the Budget Committee, together with the constraints on discretionary spending proposed in the budget resolution, would likely yield a fiscal dividend similar to that discussed in the August report.

If you wish further details on this projection, we will be pleased to provide them.

Sincerely,

JUNE E. O'NEILL,
Director.

Mr. HOLLINGS. Mr. President, that letter of October 18, 1995, said that we produce a small budget surplus with this 1996 budget we are under. But, Mr. President, when reminded of the law—do you think you have to remind a trust officer in a bank of the law? Do you think a director of the Congressional Budget Office has to be reminded of the Budget Act on Social Security?

I ask unanimous consent that this letter be printed in the RECORD.

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

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 20, 1995.

Hon. KENT CONRAD,
U.S. Senate,
Washington, DC.

DEAR SENATOR: Pursuant to Section 205(a) of the budget resolution for fiscal year 1996 (H. Con. Res. 67), the Congressional Budget Office provided the Chairman of the Senate Budget Committee on October 18 with a projection of the budget deficits or surpluses that would result from enactment of the reconciliation legislation submitted to the Budget Committee. As specified in section 205(a), CBO provided projections (using the economic and technical assumptions underlying the budget resolution and assuming the level of discretionary spending specified in that resolution) of the deficit or surplus of the total budget—that is, the deficit or surplus resulting from all budgetary transactions of the federal government, including Social Security and Postal Service spending and receipts that are designated as off-budget transactions. As stated in the letter to Chairman Domenici, CBO projected that there will be a total-budget surplus of $10 billion in 2002. Excluding an estimated off-budget surplus of $115 billion in 2002 from the calculation, CBO would project an on-budget deficit of $105 billion in 2002. (The letter you received yesterday incorrectly stated these two figures.)

If you wish further details on this projection, we will be pleased to provide them. The staff contact is Jim Horney, who can be reached at 226–2880.

Sincerely,

JUNE E. O'NEILL.

Mr. HOLLINGS. October 20, 1995, to the Honorable KENT CONRAD.

Dear Senator: After taking Social Security off budget—

Actually, the budget projected would have a deficit of $105 billion. We might get that truth out. We fought to get adherence to that law. We put up an amendment, and we cannot get support for it. But we continue to put up that amendment and everything else to say we want a balanced budget.

I have worked in the vineyards for 30 years for a balanced budget up here. I got one back when I was Governor of my State, and I will go along with you, but just do not move deficits. Let's eliminate deficits. Let's not move the deficits from general Government over to Social Security putting it in debt $1.100 trillion by the year 2002. All you have to do is add ''Social Security trust fund'' where you say, ''except for borrowed funds.'' ''Except for borrowed funds from the Social Security trust fund.''

That is all it is, a little language. They do not want to do it, because the truth hits them in the face when they go around the corner. If they put that in a constitutional amendment, there is no way in the world that they can produce a balanced budget without increasing taxes.

Their political singsong is, ''We can just balance the budget. We're conservatives, and they're spending us blind, and the liberals there, they want to continue spending and all we need is spending cuts and you can eliminate the Government.''

Mr. President, with $267 billion in domestic spending eliminated and with the $344 interest cost increase, you would still have a deficit. Do not just cut—eliminate. Eliminate Commerce or housing or energy or education. Eliminate Interior, eliminate the Justice Department, get rid of the FBI, the DEA, the Border Patrol and just eliminate it all, and you still have a deficit.

That is the dilemma we are in. Today's problems are not entitlements. It is not Social Security and AARP. My distinguished friend from Wyoming comes in here and says there is no trust fund. Well, that is his view. But in the view of the Congress and under his vote, there is a trust fund. Under the recommendation of the Greenspan commission, we put it off budget. Since 1990, we have had it formally in the law and they now want to repeal the law with section 7 of this particular constitutional amendment.

Mr. President, thank heavens for the sobriety of the Members on this side who have dutifully written a letter saying, Dear Mr. DOLE: Just go along with the protection under the law that we have in section 13301 of the statutory laws of the United States of America and you've got us five and you can pass a constitutional amendment in a flash.

They do not want a constitutional amendment. They want to get the credit, but they do not want to get the duty and responsibility. It is an absolute fraud, and they know it.

I retain the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. COATS. Mr. President, I yield 10 minutes to the distinguished Senator from South Carolina.

Mr. THURMOND. I thank the able Senator.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I rise today in support of the motion to reconsider House Joint Resolution 1, the balanced budget amendment. Last year, the House acted with wide bipartisan support as it adopted the balanced budget amendment by a vote of 300 to 132. Unfortunately, last year in the Senate, we fell 1 vote short of the 67 votes needed for final passage. Now, we have an opportunity to do the right thing and adopt this proposal.

Mr. President, mandating balanced Federal budgets is not a new idea. The first constitutional amendment to balance the budget was proposed in 1936 by Minnesota Representative Harold Knutson. During World War II the attention of the Nation was distracted from efforts to secure annual balanced budgets, although Senator Tydings and Representative Disney introduced several balanced budget amendments during that period.

Following World War II, a Senate joint resolution on balanced budgets was introduced by Senators Tydings and Bridges and reported out by the Committee on Appropriations in 1947 but received no further action. During the 1950's, an increasing number of constitutional initiatives for balanced budgets came to be introduced regularly in Congress. It was during that time that I supported legislation such as that offered by Senators Bridges, Curtis, and Harry Byrd to require the submission by the President of an annual balanced budget and to prevent Congress from adjourning without having enacted such a budget. No action was taken on these measures. Yet, since the beginning of the 84th Congress in 1955, an average of four constitutional amendments to require a balanced Federal budget have been proposed during each Congress. There was little substantive action in the 1960's and 1970's on our proposals. But finally, in 1982 while I was chairman of the Judiciary Committee, the Senate passed a balanced budget amendment which I authored. Our victory was short-lived, however, because the Speaker and the majority leader at that time led the movement to kill it in the Democrat-controlled House of Representatives. That was our high water mark as we fell one vote short in 1986, four votes short in 1994, and one vote short last year. This is our final opportunity this year to deliver to the American people a balanced budget amendment.

Mr. President, simply stated, this legislation calls for a constitutional amendment requiring that outlays not exceed receipts during any fiscal year. Also, the Congress would be allowed by a three-fifths vote to adopt a specific level of deficit spending. Further, there is language to allow the Congress to waive the amendment during time of war or imminent military threat. Finally, the amendment requires that any bill to increase taxes be approved by a majority of the whole number of both Houses.

This legislation would provide an important step to reduce and ultimately eliminate the Federal deficit. The American people have expressed their strong opinion that we focus our efforts on reducing the deficit. Making a balanced budget amendment part of the Constitution is appropriate action for addressing our Nation's runaway fiscal policy.

Over the past half-century, the Federal Government has become jeopardized by an irrational and irresponsible pattern of spending. As a result, this firmly entrenched fiscal policy is a threat to the liberties and opportunities of our present and future citizens.

The national debt is over $5.1 trillion. Today, the payment of interest on the debt is the second largest item in the budget. That accounts for the estimate that this year it will take over 40 percent of all personal income tax receipts to pay the interest on the debt.

Mr. President, the tax dollars that go to pay interest on the debt are purely to service a voracious Federal appetite for spending. Payment of interest on the debt does not build roads, it does not fund medical research, it does not provide educational opportunities, it does not provide job opportunities, and it does not speak well for the Federal Government. Payment of interest on the debt merely allows the Federal Government to carry a debt which has been growing at an alarming rate. It is deficit spending which has brought us to these crossroads. Congress has balanced the Federal budget only once—I repeat, only once—in the last 36 years and only 8 times in the last 64 years. A balanced budget amendment as part of the Constitution will mandate the Congress to adhere to a responsible fiscal policy.

The American businessmen and businesswomen have become incredulous as they witness year in and year out the spending habits of the Congress. Anyone who runs a business clearly understands that they cannot survive by continuing to spend more money than they take in. It is time the Federal Government abides by this simple yet compelling principle.

For many years, I have believed, as have many Members of Congress, that the way to reverse this misguided direction of the Federal Government's fiscal policy is by amending the Constitution to mandate, except in extraordinary circumstances, balanced Federal budgets. The Congress should adopt this proposal and send it to the American people for ratification. The balanced budget amendment is a much needed addition to the Constitution and it would establish balanced budgets as a fiscal norm, rather than a fiscal abnormality.

Mr. President, the tax burdens which today's deficits will place on future generations of American workers is staggering. Future American workers are our children and our children's children. We are mortgaging the future for generations yet unborn. This is a terrible injustice we are imposing on America's future and it has been appropriately referred to as fiscal child abuse.

Our third president, Thomas Jefferson, stated, and I quote:

> The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.

That is a quote of Mr. Thomas Jefferson.

Mr. President, it is time we show the fiscal discipline advocated by Thomas Jefferson and adopt a balanced budget amendment. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senate from Georgia.

Mr. COVERDELL. Mr. President, I, of course, rise in support of passage of the balanced budget amendment to the Constitution. I enjoyed very much listening to the remarks of the distinguished senior Senator from South Carolina as he outlined the benefits and the necessities of passing a balanced budget amendment to the Constitution.

You know, one of the things that leaves me perplexed about this entire debate is the fact that what we are talking about here is having the Congress ratify and send to the States the opportunity to engage in a broad national debate with regard to the passage of a balanced budget amendment. Those who rise in opposition seem to want to prevent the several States from engaging in this very valid, very important national debate. For myself, I have total confidence that the States deserve and need and will appropriately manage this debate.

Remember, for it to become a true amendment to the Constitution it will require that three-fourths of those States ratify this concept. So this concept will not come into place without massive public attention in all of the 50 States.

Surely, if three-fourths of the States conclude this is the right thing to do, then, indeed, it is the right thing to do. Yet those on the other side do not want it to get to the States. They want to lock it down here, very repeatedly, in Washington, whereas we have just heard in the last 36 years we have had 35 budgets that were not balanced, and one that was, which is, of course, why

the vast majority of Americans understand and know that we need this discipline, that the wise founder Thomas Jefferson warned us about. We need this provision of discipline in the Constitution.

I do not know how much evidence it takes. You count them off, 36 years, and we balanced the budget once, and 35 times we failed to do so, might suggest to the average American that something is a little bit out of whack, a little bit out of whack, and they are paying, oh, are they paying the price for it.

I see my colleague from Indiana is on the floor and I will yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, once again we are debating the balanced budget. We should not, any longer, be debating the balanced budget. We should be living by a balanced budget. Americans have lost their patience with this endless, fruitless process of debating the issue and our failure to achieve the issue. The question now before us, again, is simple: How do we finally make this commitment real, make it lasting, and make it binding?

The Democrats have argued—and I am not referring to the 13 Democrats that supported this effort in that close, almost historic vote that took place over a year ago; I am referring to Democrats because no Republicans are arguing against a balanced budget in this debate—Democrats have argued in the past that a balanced budget amendment is unnecessary. ''Let's not amend the Constitution,'' they say, ''just simply balance the books ourselves.'' Last year, during debate on this amendment, the minority leader stated, ''The budget is not going to be balanced in 2002 unless the responsible people in 1995 start to focus on their share of the work.'' Senator KERREY added, ''Let Senators get to work to show Americans we have the courage this amendment presumes that we lack.''

Now, that argument had some credibility when we made this debate in 1995, although it has been argued now for more than a decade, but it did have some credibility at the time. It is our responsibility. It is our job to keep the Nation's fiscal house in order and to not spend more than we take in. Of course, we fail in that job year after year after year and there is always another excuse, there is always another program that needs to be preserved. There is always an argument why we cannot do it now.

Today, that argument does not have credibility. Democrats, both the President and Members of Congress, have shown little courage and have not lived up to their share of the work. Every tough question, every tough vote we have had, especially on entitlements, has been exploited for partisan advantage. Democrats have talked of balanced budgets, while refusing to pay the cost of courage. It is a cynical display. It is a hypocritical display to say we must go forward on our own, and then put every roadblock in the way to accomplishing what they say we must do.

What lessons have we learned in this past year? If you make hard, necessary choices, the President and Democrat leaders will undermine you. If you carefully and responsibly confront runaway entitlements, they will vilify you. The President and his party are trying to create a Washington culture that rewards cowardice and compromises our future.

What do we do about it? How can we change that culture? How can we require Washington to make the difficult choices and turn our easy words into reliable results? The answer, Mr. President, is a balanced budget amendment to the Constitution. We have simply exhausted all other avenues in arriving at this goal.

We are back where we started. Congress must be mandated to do what it has consistently refused to do. No argument could be more clear and more compelling than our experience of this last few months. If balancing the budget is not a matter of constitutional principle, it will not be accomplished. It must no longer be subject to shifting and cynical political tactics. Our first duty as legislators, to preserve a strong and solvent Nation for the next generation, that commitment should be burned into our conscience and written into our most basic law, the Constitution of the United States or it will not happen.

Once again, we are here and we have the choice to make that happen. The success of this effort will depend on one thing: The President needs to persuade just 2 Democrat Senators to join 13 of their colleagues who voted for the balanced budget last year, to support this attempt at balancing the budget. The outcome is pretty much in his hands. If he refuses to act, he, then, is going to have to share the responsibility of the failure of this Congress to address what I believe is one of the most fundamental issues of our time. This is not a normal, everyday political debate we are engaged in. It concerns the very first principles of American Government and one of the most basic principles of morality. Endless debt is not just a drag on our economy, it is a burden on our national conscious.

I have quoted Thomas Jefferson on this topic before but his argument is worth hearing again:

> The question of whether one generation has the right to bend another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and be morally bound to pay them ourselves.

Let me repeat that: Thomas Jefferson said, a long time ago, but it holds true today in a way that it never has before.

> We should consider ourselves unauthorized to saddle posterity with our debts, and be morally bound to pay them ourselves.

What we are debating here is one of the most important and one of the most basic moral commitments between generations. It has always been one of our highest ethical traditions for parents to sacrifice for the sake of their children. It is the depth of selfishness to call on children to sacrifice for the sake of their parents. It violates a trust and it betrays a duty. When Americans view our actions, they see past the numbers to a set of principles. They see more than a matter of right and left. They see a matter of right and wrong.

One thing is increasingly obvious: We will not reliably consistently balance our budget until the Constitution requires it. The tug of quick political benefit is still too strong. The voice of vested interests is too loud. Buying votes by placing burdens on the future is still too easy. This amendment will force us, as a Congress, to make a choice. Will we preserve our ability to run up deficits or will we part with this destructive power once and for all?

Never has the choice been more stark or more important. It is the difference between false promises and real commitments. It is the difference between public relations and public accountability. We will never be restrained until we formally and forcefully restrain ourselves.

President Clinton's current budget is example No. 1, a case in point. It is a political charade, not a serious budget plan. It increases discretionary spending every year until 2001 and 2002—conveniently beyond the time when President Clinton will no longer be President. That is when he proposes to cut his spending level by $67 billion. Everybody knows this is absurd. It is an absurd proposal to say we will not make the hard choices, but we will force them onto the next President.

Such cuts in those outyears, after Bill Clinton has retired to Hope, AR, will be impossible. They will be too sudden and too steep—in education, the environmental, and veterans programs. But President Clinton does not mind, because all the tough decisions would be made on someone else's watch. It is another shining example of the Washington culture of cowardice.

The time for these kinds of gimmicks and maneuvers is over. Americans have been disappointed too often. We have the ability to clear away decades of decision with one clear, sincere, moral commitment—that is, that we will no longer steal from the future, that we will pass a balanced budget amendment to the Constitution, we will leave a legacy to our children other than a monumental debt. We will leave them a legacy of courage and responsibility.

What Member wants to serve in this body and leave here looking back, having had the opportunity, but failed, to rectify this extraordinary imbalance in our Nation's fiscal affairs? What Member wants to think back on their time, as they have been privileged to serve in the U.S. Senate, and say, well, I was

there, I had an opportunity to deal with one of the most fundamental, important issues this Nation has ever faced, to set a legacy for the future that will determine the prosperity and posterity for our children and grandchildren and generations to follow; yet, I passed on that opportunity because, you see, I did not want to make that a mandatory effort. I did not want to make us bound to fulfill that promise because the situation might change, or a program that I really favored might be impacted. And so, therefore, we put it off until the future, and we will ask the next Congress, or the next President to deal with that problem, and we forfeited our ability to deal with it now.

I do not want to have that as my legacy. But we have been talking about this ever since I have been here. There has always been an excuse not to go forward. There has always been some reason. As soon as we address the reason of the moment that is put up, then another one is raised. There is always a reason why we cannot go forward. We are just a few votes away from beginning that legacy.

The President, in his rhetoric, has supported balanced budgets again and again. Now he can prove himself a partner or partisan. It is his choice. I hope he will pressure his own party to support a constitutional amendment that nearly 83 percent of the American public supports. I hope he will abandon unfair attacks on the people making the hard, necessary, and courageous budget choices. I hope he will begin to bargain in good faith for a change. I hope for all these things, Mr. President. Unfortunately, I am not confident that we will see any of them, and that is a shame because it is a missed opportunity that may not come again. and I expect the American public, in just 5 months, will remember.

The moment has come to send a balanced budget amendment to the States. Let us begin a national debate, in every State legislature in this country. Americans have waited decades for this opportunity. And they have waited long enough.

Mr. COVERDELL. Will the Senator yield for a moment?

Mr. COATS. I am happy to yield.

Mr. COVERDELL. The Senator has very eloquently described the responsibility, through the Thomas Jefferson quote, that each generation has for the future, and that any time a generation consumes the future's resources for their own satisfaction, they are abrogating the freedom of the future.

My question is this: Is it not true that if we were successful in passing a balanced budget amendment to the Constitution requiring balanced budgets, there would be immense benefits for the present, that interest rates would drop, job lines would be shorter, there would be new businesses, and that the net effect would be that an average family in my State and yours would have the equivalent of making $3,000 to $5,000 of immediate new income in their checking accounts in the form of reduced home mortgages and loans, so that they could get about the business of getting America up, getting it housed and fed and ready to be the leaders of the future?

Mr. COATS. The Senator makes an excellent point and one that has not been made enough. We have a responsibility to future generations. Clearly, the one thing we can do that would most benefit the future of this country, our children and grandchildren, and succeeding generations of Americans, is to enact within the Constitution a responsibility that each of us ought to take on, but we have been unable to take on as a majority. But it will have immense benefits for the present, as the Senator has suggested.

The Federal Reserve Chairman has indicated that if we could put a real balanced budget in place, we can pretty much count on an interest rate reduction of 2 percentage points. And 2 percentage points is an immense economic benefit to the present generation. For all those seeking to buy a new home, it means, over the lifetime of mortgage payments on that home, tens of thousands, if not more, of dollars in their pockets that otherwise would be paid in interest. It means, for those who own a home now and have a mortgage, the opportunity to refinance that home and put money right directly into their pocketbooks, into education for their children, into meeting the needs of their families.

So there is an immediate benefit for all Americans and for American businesses that have to go out and raise the capital to expand, which provides jobs for Americans, and on and on it goes. A number of figures have been thrown out in terms of what this means. A balanced budget over the next 6 years, according to some who have studied this, indicates that it would add to the United States economy $32 billion in real disposable income, $66 billion in new purchases, $88 billion in new investment, and over 100,000 new housing starts. That translates into jobs, jobs, and jobs—real jobs, not minimum wage jobs.

The best thing we can do for people looking for work or seeking to improve their position and their jobs is to jump-start this economy in a way in which we can expand opportunities for Americans to work. Average Americans will save, it is estimated, $2,388 a year on mortgage payments on a house with a $75,000, 30-year mortgage. Those of us who live in urban areas, or occupy areas where housing costs are much higher, obviously, are going to save much more than that. And it would be $1,026 saved over the life of a 4-year car loan. Every 3 or 4 years, we go out to buy a new car. Most Americans do not have the cash to purchase those cars and, therefore, put a 4- to 5-year car loan on it. We are talking about $1,000 or more in the pocket of every American who buys a new car back into their wallet to spend for other purposes, or to save, that they otherwise would pay in interest. And $1,891 interest over the life of a 10-year student loan, for all those parents and families—and I am one of them, as my third child will go off to college in a month and a half—those of us that need to borrow money to help finance that education are going to be borrowing it at lower interest costs, and it will save us the average, over a 10-year student loan, of nearly $2,000.

Add all that up, and it amounts to nearly $75,000 of savings for the average family—that is, raising kids, paying for transportation, putting a mortgage on their house, trying to save some money to send their kids to college to get an education beyond high school. We are talking about real dollars. So the appeal to the American public is not just our moral responsibility and the legacy we leave for future generations for this country, but also direct economic benefits that can flow directly to this economy and to Americans in this generation.

So, Mr. President, the question from the Senator from Georgia is a pertinent and relevant question to this discussion which I want to just briefly address.

Mrs. BOXER. Mr. President, will the Senator yield so I can find out what the time parameters are? As I understand it, at 1 o'clock Senator EXON gets the floor. I ask him if I could have 5 minutes.

Mr. EXON. I am happy to yield 5 minutes to the Senator from California.

Mr. COATS. Mr. President, I will honor that and wrap up my remarks so we can keep some semblance of time.

The PRESIDING OFFICER. Under the previous order, the Senator from Nebraska is to be recognized at 1 o'clock.

Mr. COATS. I thank the Chair for the time.

I thank my friend from Georgia for yielding.

The PRESIDING OFFICER. The Senator from Nebraska.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized under the time of the Senator from Nebraska.

Mrs. BOXER. Thank you very much, Mr. President. I thank my friend from Nebraska. I am delighted to speak for a brief period of time. I greatly appreciate his yielding me that 5 minutes.

(The remarks of Mrs. BOXER pertaining to the introduction of S. 1837 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mrs. BOXER. Mr. President, I think we are going along the same path on which we have already gone. Do we want to really balance the budget, or do we want a figleaf? Clearly a discussion and vote on a constitutional amendment debate is a figleaf when we can have the real thing. The President

was very clear. He said to the Republican leadership, ''Please, come into to my office and let us get it done.''

Every single Member of this body has voted for a balanced budget, a real one, not a figleaf. I voted for two. I voted for the Democratic plan, and I voted for a bipartisan plan. If those Republicans who were so anxious to have a balanced budget would come over and support the bipartisan plan, we would have a balanced budget. We would not have to have a figleaf. We could have the real thing.

That is important. That is what it would take. It is not up to the President. It is up to this body to come together either around their own plan and get enough votes to do it or around a bipartisan plan. I think that is the issue. The issue is not about a figleaf; it is about reality.

Sometimes I think the public is confused about this because they are told that people oppose an amendment to the Constitution because they do not want to balance the budget. In fact we have had very, very tough votes to do it. You do not need an amendment to the Constitution to balance the budget.

Mr. President, in my remaining time, I hope we get back to the issues that matter to people. No. 1, agreement on a real balanced budget; No. 2, the Kassebaum-Kennedy bill which will protect people who need health care; No. 3, the minimum wage. Then I would like to see us take up pension security, and in the few minutes I have remaining I want to call my colleagues' attention to a front page story in the Wall Street Journal today entitled ''Frittered Away—Some workers find retirement nest eggs full of strange assets. Losses can be serious.'' It goes very painstakingly through a tragedy that has befallen employees of a company headquartered in Texas with many stores in my home State of California which invested about 85 percent of its 401(k) plan assets, which belong to employees. Employees put their hard-earned money into that particular company plan. The employees now find out that the company has gone bankrupt, hundreds of them have lost their jobs, and they may have lost their retirement.

If you want to do something on the floor of the U.S. Senate that impacts the lives of people, get a real balanced budget through, get the Kennedy-Kassebaum legislation through so employees can have health care, so it can be portable, get the pension bill I introduced today through so employees know that the same rules that apply to defined benefit pension plans apply to their 401(k)'s.

The Wall Street Journal article talks about how some employers have taken the hard-earned pension contributions of their employees and put them into worthless investments. Some of them have decorated their offices with these so-called investments. The investments are worth nothing, and the employees are left holding the bag. We can make a very easy change here by applying the same protections to 401(k) plans as we already apply to other plans.

When we are here for 3 days talking about a constitutional amendment to balance the budget, I know the Senator from Nebraska has supported it in the past, but I think he will explain his frustration with this measure. We on the other side want to balance the budget. But the first thing they do is repeal the gas tax and put that money into the pockets of the oil companies. Then they talk about a huge tax cut.

It gets a little frustrating. If we really care about the people of this country, start debating a real balanced budget. Start debating the issues that matter to people.

I hope my colleagues will support my pension bill because it would protect workers from losing their 401(k) plans that they worked so hard to put their money into.

I say to my friend, I thank you very much for yielding. I look forward to his remarks.

I yield the floor.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The Chair recognizes the Senator from Nebraska.

Mr. EXON. I thank the Chair. I thank my friend from California for her kind remarks.

Mr. President, I am very disappointed by this constitutional balanced budget amendment charade staged by the majority. My colleagues know that I am a staunch and dogged supporter of a balanced Federal budget and a balanced budget amendment to the Constitution. I have not changed in my resolve but quite obviously others have. There is something to be said for consistency and political honesty even during a political campaign. Up until very recently, I thought that if you favored one, you had to support the other. They clearly go hand-in-hand. But that was before the political shenanigans evidently brought about by election-year politics.

But watching the majority leader and the majority party become the new high priests of what George Bush called voodoo economics has caused me to question whether the Republicans sincerely want a balanced budget at all or just a meaningless campaign issue. Advocating a balanced budget amendment while advocating fiscal policy that makes it impossible to function is ludicrous.

One minute, the majority leader calls for passage of a balanced budget amendment. But in nearly the same breath, he simultaneously pushes massive tax deductions that would reduce revenues by multibillions of dollars such as deductibility of Social Security payroll taxes, repeal of the gas tax, and a laundry list of other tax breaks too numerous to mention. On the spending side, he calls for a $50 billion plus revival of star wars that would additionally worsen the deficit. All of this fiscal nonsense—it is fiscal nonsense, Mr. President—has caused me to conclude that I will not be a party to this hypocritical enterprise that falsely promises to balance the budget down the road, but avoids every hard vote to cut the deficit here and now and actually reach balance by 2002 when supposedly the constitutional amendment would kick in.

I find the about-face by the majority puzzling, to say the least. The National Review once quoted BOB DOLE calling supply-side economics a ''magic formula that would give us lower taxes, all the benefits voters clamor for, and every weapons system on the military's wish list.''

Doesn't that sound rather familiar now?

The majority leader was known for many years as downright hostile to supply siders, including his former nemesis, Jack Kemp. He once chided that Mr. Kemp liked to preach painless ways to reduce the deficit, and I quote Mr. DOLE, ''while some of us do all of the dirty work.'' Perhaps the majority leader does not want to get his hands dirty anymore. Why do you suppose that is so?

During one of his previous Presidential runs, the majority leader said that the American people ''are ready for bitter medicine'' to reduce the deficit, but now he has become the tax cut candy man.

The majority leader also liked to joke that he had good news and the bad news. Once again I quote the majority leader. ''The good news was that a busload of supply side economists had plunged off the cliff. The bad news was that there were three empty seats.''

Mr. President, no one is laughing today, not the American people who will be stuck with a new deficit bill because of the Senator's 11th hour conversion to supply side economics.

Jokes aside, I cannot fathom how anyone who had a perch so close to the unholy economic mess that supply siders created could now become their standard bearer.

Former OMB Director David Stockman recanted, at least, from the deficits that he helped create. He wrote:

> The real root problem goes back to the July 1981 frenzy of excessive and imprudent tax cutting that shattered the Nation's fiscal stability. A noisy faction of Republicans have willfully denied this giant mistake of fiscal governance and their own culpability in it ever since. Instead they have incessantly poisoned the political debate with a mindless stream of anti-tax venom while pretending that economic growth and spending cuts alone could cure the deficit.

Mr. Stockman was right and everyone in this Chamber, including the majority leader, knows it. But the majority leader was already agreeing with this assessment years ago. In January 1982, he told the Washington Post:

> I do not subscribe to the fantasy that if we do nothing, deficits will disappear. Some of those in Congress who are the most vocally leading the fight against tax increases propose nothing to bring spending under control. It is hard to conceive a worse economic or political path to follow.

There is another revealing quote of the majority leader in the New Republic of January 7, 1985: ''I never thought growth would deal with the deficit.'' To continue the quote from DOLE, ''Mondale's view of it was all right. He was the wrong salesman.'' At least now we know where's the beef.

The majority leader also told the New York Economic Club in January 1984:

> Unlike some who believe we can sit on the sidelines and allow economic growth to balance the Federal budget, I believe that Congress and the administration must earn its redemption.

I say to the distinguished majority leader, so do I. We can earn some redemption today by pulling this travesty off the floor of the Senate.

Mr. President, I have spent many an hour advocating a balanced budget amendment to the Constitution. No one has been more intent on this endeavor. I went even further than some of my colleagues would dare. I took the debate from a philosophical discussion to a level where it really counts. I tried to get Congress to abide by the very policy statement set out in the balanced budget amendment.

At the beginning of this Congress, I offered an amendment that would have created a point of order against considering any budget resolution that fails to comply with the requirements set out in the balanced budget amendment.

But my colleagues on the other side of the aisle, who were white hot in their passion for a balanced budget amendment, were curiously cool to that amendment.

You hear all of these pious speeches about how we want to balance the Federal budget, but if we had a dollar for every Senate speech in favor of a balanced budget we would have had a budget surplus long ago.

Then comes along a Presidential election, and all of a sudden Senators are falling all over themselves to cut taxes. I heard one Senator say, well, this was not the first tax that he would have cut, but it was an opportunity to cut taxes, and he was not going to miss it. It is a transparent political ploy, and this Senator, for one, has had enough of it.

Last year, the Senate had a thoughtful and measured debate on the balanced budget amendment. I did not particularly savor the outcome, but I was proud of the manner in which the Senate conducted the people's business. We were thorough, we were thoughtful, we were fair, and we acquitted ourselves with repute.

But today's action by the majority wreaks of partisanship and election year politics. It is not serious or sound public policy. It is more like a sound bite. This is a crass and appalling public relations stunt concocted and orchestrated by the Republican majority and the Republican National Committee. Their motives are as obvious as their tactics are unseemly. Mr. President, I will not dance to their piper. I deplore their tactics.

Using Congress as a backdrop, the majority will do their very best to embarrass the President and divert attention away from their 15 months of failed leadership. They will grasp at every thin reed to win back the White House, even this trumped up attempt to pass a balanced budget amendment to the Constitution that everyone knows in advance will fail.

I suppose they feel they have no choice. The majority needs and wants to shift the attention of the public away from their flash-in-the-pan agenda and their inability to produce a fair balanced budget behind which the American people can rally.

Mr. President, that reminds me of an article I once read. In August 1985, David Stockman, President Reagan's OMB Director, presented Senator BOB DOLE with a supply side birthday cake. According to the press, the Senator chortled with glee to find that under the icing the cake was hollow. I say to the majority leader, so is this attempt to win votes in November.

The Senate majority leader, 20 points or so behind in the race for the Presidency, has come up with a gimmick to reduce the gas tax by 4.3 cents, which, if maintained until the magical year of 2002, could cost the Treasury $34 billion in revenues when we are already far short of any attainable goal to meet the constitutional guaranteed balance by that date. No matter the fact that the price of crude oil has fallen back to its low late in February.

According to the Wall Street Journal, the majority leader is also advocating of a $500 a child tax credit and a $500 annual credit for individuals contributing to charities. His key advisers are urging a 15-percent across-the-board tax cut. Billionaire Steve Forbes and adviser Jack Kemp are pushing a flat tax reduction. Meanwhile, President Clinton is inching toward more tax cuts as well. Where will it end? When will the tax bidding stop? When are we all going to recognize that we are on the road to bankruptcy?

I have criticized President Clinton for his tax cut proposals as well. But, by comparison, he is a piker. One thing is certain, President Clinton will not be around when the heavy lifting starts after the year 2000. At best, BOB DOLE would be approaching 80 years of age, in his second term as President. What an exciting prospect for keeping promises.

I ask my colleagues on both sides, how on Earth can we debate a constitutional amendment to balance the budget and then have a host of tax cuts in the wings that will worsen the deficit? And, yes, I say worsen the deficit, because the offset that the majority cobbles together or attempts to cobble together to pay for the tax cut will, in all likelihood, be something we are already counting on to help balance the budget. You cannot spend the same dollar two or three times.

So, if Senators want to cut taxes and then ask me to join them to support a balanced budget amendment, they will soon find this Senator unwilling to go with them down that crooked road of no return. It is madness. It is unconscionable. It is the biggest flimflam in history.

The American people should understand that if a constitutional amendment to balance the budget by 2002 is followed by the tax cuts proposed or waiting in the wings by the majority, including a huge $180 billion tax giveaway in the reconciliation bill, then future Congresses will face by far the largest tax increase ever imagined. Such a happening would be the height of fiscal and budget irresponsibility, and would saddle future Presidents and future Congresses with an unworkable fiscal dilemma.

In conclusion, if the distinguished majority leader is indeed earnest about reopening a serious debate on a balanced budget amendment to the Constitution, he will find a strong and willing ally in this Senator, as he has in the past. He knows that. I will not, however, be a party to this partisan charade. The numbers simply do not add up. We must repudiate this partisan sham. The honest, fiscally conservative vote on the Dole initiative is no.

Mr. President, I reserve the remainder of my time and I yield the floor.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER (Mr. CAMPBELL). The Chair recognizes the Senator from Utah.

Mr. BENNETT. Mr. President, I have listened with some interest while my colleague from Nebraska has spoken. I am sure it will come as no surprise that I disagree with just about everything he has had to say, particularly with respect to the majority leader and his position. But I will not speak for the majority leader. He is more than capable of speaking for himself. I would like to get a few facts on the record that I think need to be part of this debate.

Fact No. 1: Money does not come from the budget. I know that comes as a great surprise to this body, but money comes from the economy, and if the economy is growing and vibrant, there is lots of money in the Treasury. If the economy is shrinking or depressed it does not matter how much the budget projected would be there, it will not be there. So the one thing that frustrates me the most, coming from the business world into the Congress, is this insistence upon making projections, all neat and balanced down to the last dollar, and then assuming that is the way things will turn out.

It is like a businessman who says at the beginning of the year, ''I project we will have so much revenue from our business this year. Accordingly, I will adopt a budget for x amount to spend that much revenue.'' I have been in that circumstance. We made projections for a business that I was CEO of. As it turned out, we fell 10 percent short of our projections.

That should not bother too many people. Ten percent is not that much money. The problem is, our spending was based on the projection of revenue, and we had to change the spending pattern midyear, indeed midmonth, when it became clear to us we were not going to make as much as we thought we were going to make. We had projected a 100-percent increase in that business, and we had been doing that every year up to that point. As it turned out, we only had a 90-percent increase. As I say, we missed it by 10 percent. We had to adjust immediately or we were headed for a loss year. We do not do that around here. We say oh, no, the budget projects such and such, so we will spend such and such, regardless of what happens in the real economy. Let me give the Senate an example.

We stood here, my first Congress, the 103d Congress, and heard projections of how much money would come from the tax increase that President Clinton proposed. We heard numbers, hundreds of billions of dollars will come if this is done and we need to do this to balance the budget. The deficit is so much, we are going to get so much, this is how this is all going to work out. I put in the RECORD before, so I will not do it again, an article by Marty Feldstein, one of the more distinguished economists of this country, who, looking back after 2 years, said, in terms of actual revenue, the Clinton tax increase produced only one-third as much money as was projected.

Why? Simply because the economy reacted. People were faced with tax increases in one category of their investments so they switched investments to someplace else to avoid taxes. You do not have to be, really, very smart to figure out how that happens.

So President Clinton proposed a tax increase. It was passed by the previous Congress, and then the results came in and the results were that we only got one-third as much revenue as the President had projected we would. People changed their behavior.

It is very hard to convince a computer that is what is going to happen. The computers are programmed around here to assume the static analysis, on and on and on. The Senator from Nebraska heaped great scorn upon the supply-siders and carried on with the kind of rhetoric we have heard before in this Chamber about how it was the terrible tax cuts under Ronald Reagan that produced the runaway deficits we are all living with. That has been repeated so many times that people are beginning to believe it.

Mr. President, I do not have the time to give this argument again. I have given it before, but I have discovered in the Senate there is no such thing as repetition. But I will do my best to summarize it.

In 1989, which was the last fiscal year we operated under the tax structure that was created by Ronald Reagan, income taxes produced 8.6 percent of gross domestic product coming back to the Government. So, however big the economy was, 8.6 percent of that came back to the Government in revenue. Then said those: ''Oh, no, the terrible Reagan tax cuts have caused us to not have enough revenue. Tell you what we are going to do, we are going to have first the tax increase that occurred at Andrews Air Force base and then the Clinton tax increase that came in the 103d Congress.''

And with those two successive tax increases, what did we get in fiscal 1995? The tax increase hit in 1993. What did we get in fiscal 1995? If we got only 8.6 percent of gross domestic product under the disastrous Reagan proposals, should we not be expecting 9, 9½, maybe even 10 percent? The fact is, instead of going up, revenues went down. Yes, down. In fiscal 1995, income taxes produced 8 percent of gross domestic product, almost 10 percent less of gross domestic product than was the case before.

It is very clear that the tremendous deficits that we have heard about and we have talked about and we spend time on did not come as a result of the Reagan tax cuts. Federal revenues went up every single year under President Reagan. The economy grew rapidly. Once we came out of the recession that occurred at the beginning of Reagan's term, we had the longest period of economic expansion peacetime in our history.

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

Mr. BENNETT. Mr. President, I ask unanimous consent that I be allowed to continue for 3 additional minutes.

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

Mr. BENNETT. I thank the Chair.

Mr. President, money does not come from the budget. Money comes from the economy, and we have to learn in this body and the other body and in the White House to pay attention to the results from the economy instead of spending all of our time reviewing the numbers of the budget and listening to the computers of the budget who project blindly into the future without making the midcourse adjustments.

The record is very clear. The tax program that was followed during the Reagan years produced record revenues—not reduced revenues, record high revenues. The problem of the deficit occurred on the spending side, and it occurred on the spending side because of the changing demographics in the country and the growing spending on entitlements.

Nobody is to blame for that except the elderly who do not have the courtesy to die with the same regularity that they used to, and I, for one, do not want to call upon them to start doing that now just to balance the budget.

But that is the new reality of the marketplace, that is the new reality of the economy, and we must adjust our rhetoric to that reality instead of trying to go back and fuzz the factors of the past and say, somehow, President Reagan is responsible for all of our difficulties.

No, our difficulties are rooted in the changes that are occurring in the country. We must recognize that fact, and we must put in place the structural discipline that will force us to recognize that fact in the form of the balanced budget amendment.

I thank the Chair. I did not want to leave the statements made by the Senator from Nebraska unresponded to, responding to in my own name, recognizing, as I said, that the majority leader is more than capable of responding in his own behalf.

The PRESIDING OFFICER. Under the previous order, the time from 1:30 p.m. to 3:30 p.m. will be under the control of the Senator from Wyoming, Senator THOMAS.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that I be allowed to speak for 5 minutes out of the time of the Senator from Nebraska [Mr. EXON].

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

Mr. JOHNSTON. Mr. President, I rise to oppose this balanced budget amendment, recognizing that some of the people in this Chamber, for whom I have the most respect, are for it. But I oppose it to a large extent because of what I call the dilemma of enforceability.

My colleagues will recall that when this amendment was up earlier in this Congress, we had tremendous amounts of debates on whether the courts ought to be able to enforce this amendment. I made speeches against the difficulties that courts would have, the constitutional crisis that it would put this country in, and how terrible it would be in a democracy to have nonelected, appointed-for-life judges who are not available to the public making decisions about increasing taxes or cutting Social Security or cutting Medicare or cutting programs across the board, judges who have no feel for these programs, who have no background in the programs, no staff to understand the programs coming in and making an order and saying, ''We're going to increase your income tax,'' or ''We're going to cut your Social Security,'' or cut your Medicare programs, or name a thousand other different Federal programs.

I think it would be terrible, Mr. President. I think it would just be terrible. I think it would be the stuff of revolution, as people would say, ''How did we get in this situation?''

Indeed, as we outlined these difficulties of this bill earlier when it was being discussed, finally the sponsors of the resolution agreed, at least they agreed to the extent they accepted an amendment. Some would say they accepted the amendment just to get the necessary votes; others would say they accepted the amendment because they knew it was the right thing. But in any event, the amendment, as I understand it—the Nunn amendment which is now part of this—states as follows:

The judicial power of the United States shall not extend to any case or controversy arising under this article, except as may be specifically authorized by legislation adopted pursuant to this section.

I suppose that is the present state of the amendment. What does that mean, Mr. President? It means this whole thing is a sham. It is either enforceable, and enforceable by the courts, so that the Supreme Court tells you what the size of your taxes are or what the amount of your Social Security payment is, or else it is not enforceable, and it is a sham.

People say, ''Well, make your choice, Senator. You can't argue on the one hand against the courts enforcing it and on the other hand argue that if they don't enforce it, it's a sham.'' The fact of the matter is, that is the truth. Either horn of that dilemma is not breachable by this amendment.

There is really only one way to balance this budget and to do so in a way that makes sense to the American people, and that is for the Congress to do it. That is because the Congress, in every district in America, has an elected Representative who can come and represent the people, go back home in town meetings and communicate with the people, be on television, receive letters, respond to letters, communicate with the public and, in fact, represent the people in the most fundamental decisions that this country is made of; that is, what is the size of your taxes, what are the amounts of your benefits, and what are the functions of Government.

That is central to a democracy, that is central to our country, Mr. President, and the public ought to be entitled to be heard on that. That is why I think to try to get this automatic pilot, this constitutional amendment just will not work.

We tried it before. We tried it with Gramm–Rudman. I voted against the Gramm–Rudman because there is no magic automatic pilot. There is no substitute for elected Representatives making decisions in the interest of the public.

I remember when we passed Gramm–Rudman.

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

Mr. JOHNSTON. Mr. President, may I be allowed 3 additional minutes?

The PRESIDING OFFICER. The Senator has 3 additional minutes.

Mr. JOHNSTON. We had a provision in Gramm-Rudman called sequestration. My colleagues will remember that well. If the budget was not balanced, or if we did not meet the target provided in Gramm-Rudman, there was to be this automatic guillotine that fell. There was going to be a chopped-off spending by a prearranged formula, and it was all going to be arranged and that was going to substitute for the backbone of Congress.

Of course, what happened, we got right up to look at that gleaming guillotine which was going to cut off spending, and the Congress, predictably, said, at least the opponents of Gramm-Rudman said, it was going to be this. We said, ''No, stay the guillotine, stay the sequestration, don't do it.''

Here we are with a different kind of guillotine. Either we are going to have a permanent block in the guillotine, which is what the Nunn amendment says, nonenforceability, or we are going to go back to the old guillotine.

Mr. President, can you imagine what the American public would say if the Supreme Court made an order that said, ''We're going to increase your income tax by 50 percent?'' Why, there would be rioting in the streets. You say, ''Oh, the Supreme Court wouldn't do that.'' Oh, no?

How is the Supreme Court supposed to balance this budget? You know, they have to do it quickly. Do you think they can go through every one of these little programs, thousands of programs, and snip each one? They cannot do that. They do not have that knowledge.

Can they cut them across the board? You cannot cut programs across the board, Mr. President. There are contractual arrangements. You take one of the budgets I have something to do with, the Corps of Engineers, they go out and make contracts. You cannot come in and say, ''Well, we're going to pay you 95 percent or 80 percent of that which you're entitled to under the contract.'' You cannot do that constitutionally. You cannot do it in good sense. So you cannot cut things across the board. You have to have big amounts of money. So where do those big amounts of money come from? Two places—taxes or entitlements. You spell entitlements ''Social Security'' or ''Medicare.''

So, Mr. President, if anybody around here thinks that you can easily give the Supreme Court of the United States the power to raise your taxes and raise them big time, or to cut your Medicare and to cut your Medicare big time and raise these costs for our senior citizens, or do the same thing with Social Security, you have to be kidding, Mr. President. People have not thought this through if they think the American people would accept that or if they think that is sound Government or good policy.

The other horn of the dilemma is, if you make it nonenforceable, it does not mean a thing except for a campaign speech. It is a good substitute for real policy, which means that you really frustrate the goal of the balanced budget. I mean, if you have this thing where you say, ''Look, don't ask me to cut these programs. I have already voted for the balanced budget amendment,'' then that is a good substitute for real policy. The only thing we need to do, Mr. President, is exercise real backbone, exercise real representation.

I thank the Chair.

The PRESIDING OFFICER. The time of the Senator has expired. Who yield time?

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming Mr. [THOMAS], is recognized.

Mr. THOMAS. Mr. President, I rise to continue this discussion on the balanced budget amendment. It has been a long discussion. It is not a new discussion. It is one that has gone on for years. Unfortunately, it is one that is going to go on for a number of more years.

Let me comment for a moment on the presentation of the gentleman from Louisiana. I respect him very much. Certainly he is one of the most polished and dependable Members of this body.

I disagree with him in this instance. I disagree on the notion that somehow the courts will inject themselves into this and this will not work. I cite the fact that some 35 States, mine included, has it in their constitution. We have not had the problem with the involvement of the courts.

The courts in some instances can come to the legislature, can come to the Congress and say, ''What you have done is unconstitutional, and you need to redo it.'' That is a legitimate function of the court. They may do that, I suspect, in the spending area, but not to establish what you are going to spend. ''What you're doing is not right, and you have to do it again.'' There is a substantial amount of evidence that that does work.

Mr. JOHNSTON. Would the Senator yield?

Mr. THOMAS. Sure.

Mr. JOHNSTON. Is the Senator aware of the huge amount of experience in the States where they have either constitutional provisions requiring a balanced budget or prohibiting the incurment of debt, or other constitutional provisions with respect to the raising of money under which legislatures, by clever schemes, get around these provisions?

I cite, as one of those, legislation that I was involved in, I mean, both legislation and litigation—I hate to make this question too long—involving the dome stadium in Louisiana where the law said, ''No bond issued under this amendment may bear the faith or credit of the State,'' and where the legislature and the Governor came in with a clever artifice and got around that, and you ended up with bonds which bore the faith and credit of the State. Or, more recently, where the Louisiana Constitution said it takes a two-thirds vote to raise taxes, and they created a special taxing district by majority vote which raised the money and raised the taxes and got around the constitutional provision.

I cite those two examples as being typical of what has happened all across this Nation in avoiding the effect of those. Is the Senator aware of those?

Mr. THOMAS. Yes, of course. Let me give you an example. The Senator has been here for 20 years, or whatever, and we have not balanced the budget in the time the Senator has been here.

The Senator points to some areas—I do not mean this personally—but this has not been done. The Senator points to some possibilities that might happen under a constitutional amendment. Look at what has happened without one.

So I say to the Senator that—he talks about a sham. The sham is that we have gone on for 25 years here and we have spent more than we have taken in. Every time we talk about it, everyone who gets up in this place says, ''I'm for balancing the budget. I'm going to balance the budget.'' What is the evidence? The evidence is you have not.

Mr. JOHNSTON. The last 4 years we have cut down the deficit by more than 50 percent.

Mr. THOMAS. By raising taxes, the largest tax increase in history, I agree. I did not vote for it. The Senator did, did he not?

Mr. JOHNSTON. No.

Mr. THOMAS. I am sorry. I do not think that is the way to do it. I think we are looking for some sort of discipline. We just have an honest disagreement about this. I think that the constitutional amendment provides the discipline within which this body or other legislative bodies can work.

Obviously, the Senator mentioned Gramm-Rudman. It did not work because there was not the discipline. This body found its way to go around that, did they not? They said this is an appropriations but did not score it under GRAMM-Rudman.

Mr. JOHNSTON. Well, if the Senator will further yield?

Mr. THOMAS. Sure.

Mr. JOHNSTON. Should it be enforceable or not enforceable?

Mr. THOMAS. Of course, enforceable.

Mr. JOHNSTON. Of course, enforceable?

Mr. THOMAS. Yes.

Mr. JOHNSTON. The Nunn amendment is part of it at this time.

Mr. THOMAS. I am not sure.

Mr. JOHNSTON. I am advised it is part of this, which makes it nonenforceable, save for an act of Congress. Then you have the Supreme Court. I mean, should the Supreme Court be able to raise your taxes?

Mr. THOMAS. I claim my time back here. We can stand here, as we do, and as has been going on now since I have been here, in the House for 5 or 6 years, and particularly this year, and think of all these reasons why it cannot be done. ''Oh, so Social Security is there.'' ''Oh, it's not enforceable.'' ''Oh, the courts are going to get into it.''

But, you know, you really come down to the bottom line. And the bottom line is this year, for the first time in 25 years, the Congress sent to the President a balanced budget. The President promptly vetoed it. So I think you have to ask yourself, is it morally and fiscally responsible to balance the budget? Do we have a responsibility as representatives of our constituency to say, ''Look, we're not going to spend more than we take in except in an emergency?'' I think that is reasonable. I know the Senator would agree to that. But that has not happened. So we go into all these reasons and all these excuses why we cannot do that.

First of all, all we are doing is we are sending a constitutional amendment to the States. The folks will have another chance to look at this, which I think makes some sense. But I feel very strongly that we have tried the other things.

Some say, ''Well, you shouldn't tamper with the Constitution. The Framers didn't put that in there.'' I do not think the Framers also expected that you would have the largest line item in the budget being interest on a debt that has been built up because we do not balance the budget.

I think we are making some progress. I have to tell you that part of the largest tax increase in history helps do that. I think on the other side of the aisle you found, for the first time, some people willing to reduce spending, cut that back some. The combination of those two things are moving us in the right direction. There are two different points of view on it. That is why we are going to vote one of these times.

Mr. JOHNSTON. I will not prevail upon my friend to yield further. I thank him for yielding. I appreciate his courtesy.

Mr. THOMAS. I thank the Senator very much.

In any event, I just think it is time we have to take a look at what we are doing. Certainly a balanced budget amendment is something most people have thought was a good idea. A number of people on that side of the aisle thought it was a good idea a couple years ago; now, in the last time we voted, did not. Of course it takes two-thirds. It is a difficult thing to do.

Mr. President, one of the things that we ought to talk about a little bit, and I think about a great deal, is, why is it important to me as a citizen in Casper, WY, why is it important to anyone who pays their taxes, and is part of this Government? It seems to me that is where we ought to start.

First of all, I think a balanced budget has a great deal of impact on our lives. We have gone for a very long time with an unbalanced budget and we did not think much about it. There were no great discussions about it until fairly recently. Why? Because the debt has gotten so large that very likely next year the largest line item in the budget will be for interest of $260-some billion, which will not be available to spend in other areas.

People have made the good point that if we did not have the interest payment, the budget would be balanced. But we do. I have heard others say, ''Let's get rid of the debt. It is just Government debt.'' That is not true. You and I own Treasury notes. It belongs to people. It is a real debt. We have to pay that interest. That is part of it.

Another is, if you did not take all that money out of the economy, we would have, I think, a strengthened economy. We would have more jobs. Interest rates will be lower with a balanced budget. We have seen that happen fairly recently as we move toward that. Those are things that affect you and me as we live at home and work.

This is not some esoteric exercise about budgets, about legislation. It is a very real thing. Interest rates are lower on your home, on your school costs for your kids, on your car. It is very real. It makes a great deal of difference for the economy to be stronger, and jobs make a great deal of difference.

Furthermore, and maybe just as important to most of us, is that there is a moral and fiscal obligation with our Government to not spend more than we take in. That applies to everyone else. But we say, ''Well, if we want something and we do not have the money, we will charge it to our kids, our grandkids.'' That is what we have done.

This business of reducing the deficit, which is terribly important, has nothing to do with the corpus of the debt. We still have $5 trillion out there that we have not even started to do anything about. We are still trying to reduce it. Over this 6-year period, as we move toward a balanced budget, the debt continues to grow, the interest continues to grow.

Mr. President, I think it is fairly easy to get up here politically and go into great economic ideas and so on, but the facts are pretty basic. That is, that it strengthens this country. It strengthens families. It is responsible. It is morally right. We have not done it. We need to do something different. The idea that you continue to do the same thing and expect different results is simply not a realistic expectation.

Mr. President, we have asked for some time—''we'' being the freshman class—for the next 1½ to talk about this issue. I suppose some of us take a little different view than others in this body in that we all came through the last election. We are very conscious of what our voters said to us 2 years ago. Most of us would agree that one of the strong messages was the Federal Government is too large and costs too much and we need to do something about that. If you talk about balancing the budget in my State, it is one of the highest priorities of anyone there. I think those of us who have just been here now for less than a year and a half have a little bit of special interest in it. That is why we have asked for some time as freshmen, to have a special order on balancing the budget.

I yield to my friend and associate from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania [Mr. SANTORUM] is recognized for 7 minutes.

Mr. SANTORUM. I thank my friend from Wyoming, I thank the Presiding Officer, and I thank my friend from Minnesota, who is ready to talk.

This is an important debate. It almost is anticlimatic. The fact is that it is widely reported in the press that we do not have enough votes to pass the balanced budget amendment, an amendment that passed the House of Representatives, that this is just an exercise. Unfortunately, it has been minimized as a result of that.

I think it is important. I am glad the Senator from Wyoming has been our leader on the floor on these issues, has taken the time to get the freshman on the Republican side—the freshmen Members are all Republicans; I guess that would be the Republican side—to get up and talk about why we think this is important and why the public should be, again, focused on this issue.

I do not think there is anything more fundamental for the Government to do than to run an operation that is balanced. Almost every State government runs an operation that balances the budget every year. It is incumbent upon Government to act in a responsible fashion with the taxpayers' dollars and do so in setting priorities. It is hard to do. You have heard a lot about all the money that needs to be spent on a lot of different programs. There are a lot of things we need to do.

I see the pages down here and young people up in the gallery. I visited high schools and colleges just over the last week during the break, and it is hard to look into the faces of the young people in this country and say to them, ''Look, it is much more important for us to get reelected. It is more important for us to have an issue to scare people on things like Medicare and education spending. It is more important for us to play politics, for our political career, than it is to solve the problems that face this country that are going to be burdening you to even a greater degree than it is burdening this generation of Americans.''

I think we need to do a little soul searching at this point. One thing I found when I got in the Congress, you can always find a reason to vote no. There is always something in every piece of legislation, even if it is one sentence, you can always find a reason, an excuse, to be opposed to something and walk away from taking the responsibility.

I remember when I was in the minority in the House, it was very easy to walk away and say, ''I am in the minority. It is not really my job to move legislation here. Yes, it is a good bill, but maybe I will take a pass on this because I am afraid of one little political twist.'' That is what we have done here on the balanced budget amendment. We found there are several Members who have found a reason to vote ''no''. That is the Social Security issue. That is the reason to vote ''no'' on something they say they are for. And they protest, ''We want a balanced budget,'' but it is the Social Security issue holding us back.

I think that balancing the Federal budget is bigger than any one single program in Washington. A lot of great programs have passed here, a lot of not so good programs have passed here, but nothing rises to the level of doing the basic fundamental requirement of any government, and that is to balance its books.

For those who hide behind Social Security, I say to them: Where were you and where are you when it comes to doing something for these young people on Social Security? Where are the brave souls who stride to the well and say, ''We need to do Social Security reform because these young people who are paying taxes right now have absolutely no hope of seeing Social Security payments when they retire.'' Where are the brave people who want to preserve Social Security, not as a political issue for their next election, but as a real issue for the next generation?

I ask everyone who is hiding behind that issue, and I ask all the people who are listening right now, to examine those Members and examine the people who are using this issue and find out how truly they want to protect Social Security. I believe this is just a political issue they can hide behind so they can vote no on something they really do not want to do, which is the bottom line, balance our books, constrain Government spending.

I am hopeful at some point we will pass this. I have a lot of faith in the American public that when elections come around in November, they will send more Members to the U.S. Senate and Members of the House of Representatives, who will support a balanced budget—hopefully, from both parties. They will send a clear message that, yes, we understand that tough decisions have to be made, but that is why we sent you to Washington—to make the tough decisions to move this country forward.

So I am not discouraged at all. This is something that is going to happen. We are going to balance this budget. We have passed one balanced budget, which was not signed by the President. We passed major entitlement reform. Twice we passed welfare. We passed Medicare reform and Medicaid reform. We have done the heavy lifting to balance the budget. People say that we can do it today. We have done it today. We passed the balanced budget. So do not talk to me about we do not need this balanced budget because we can do it already. We did it already, and the same people who said we do not need the balanced budget amendment voted against the balanced budget proposal we sent to the President. The same President who says we do not need a balanced budget amendment vetoed the balanced budget resolution that we sent to him, which was the act to do that.

So, again, if you look at the Social Security issue, you know, it is just, we are for it, but we are going to hide behind Social Security. The other argument is that we do not need the balanced budget amendment because we can do it ourselves. We did it ourselves, and they were against that, too.

So I think we just have to question what the real motive is here. Do these people really want to balance the budget, or do they just want to tell you they want to balance the budget? I think the answer is pretty clear. When the rubber hits the road, when it is either ''yes'' or ''no'' on a constitutional amendment to balance the budget, the answer is ''no,'' and their excuse is Social Security. When it comes to reforming Social Security, the answer to reform is, ''No, we cannot do that, we cannot touch it.'' The other excuse is that we do not need this because we can balance it ourselves. When we put one on the floor specifying where the changes need to be made in order to put the budget in balance, the answer was ''no.''

So it is ''no'' to a constitutional amendment, ''no'' to Social Security reform, ''no'' to a balanced budget act. But, ''Yes, we are for it. In general, we are all for this.''

Well, you cannot be for it and vote ''no,'' ''no,'' ''no'' when it comes time to put your words into actions. I hope that at some point we do put the words into actions and that we do it soon.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER (Mr. GREGG). The Senator from Minnesota.

Mr. GRAMS. Mr. President, I ask unanimous consent that I also may proceed under the time set aside for Senator THOMPSON.

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

Mr. GRAMS. Mr. President, I am proud to be here today and to join with my freshman colleagues as we stand firmly together in our support for a balanced budget amendment to the U.S. Constitution. Sixteen months in the Senate have not dulled our enthusiasm for its enactment. We are more committed today than ever before.

Mr. President, it is a rare occasion in life when a person is granted a second chance, an opportunity to right a wrong. When those moments come along, we hope that we have learned from our mistakes and that when we are given that chance to approach things differently, we will step forward and do the right thing.

My colleagues and I have an opportunity this week to do that right thing and repair a wrong made within this Chamber a year ago when we denied the American people, by a single vote, the balanced budget amendment that they have repeatedly called upon us to pass.

The balanced budget amendment lies at the heart of what I believe to be the defining issue of the 104th Congress: deciding the priorities of the Federal Government and its budget.

Naturally, there have been disagreements over where these priorities lay. Each of us have different ideas about how the Government should—and, more importantly, should not—spend the taxpayers' money. But even with

these disagreements, there are several basic principles on which we should all agree. The balanced budget amendment embodies these common areas of agreement because it deals with the future of our children and grandchildren, and, therefore, it deals with America's future.

After all, that future is what our efforts to ensure a balanced budget are all about. In order for our children to enjoy the same economic security that we inherited from our parents, we must begin the process of controlling our Federal spending. Our parents and grandparents did not leave us a debt to pay—even after financing such major undertakings as World War II. They paid those bills and did not pass that debt on to us. But this generation has compiled a $5 trillion-plus debt that we are now going to be asking our children and grandchildren to pay, and we cannot even reach an agreement on balancing the budget so we do not continue to do that.

With a balanced budget, then and only then, can we hope to pass on to our kids an inheritance of prosperity rather than a lasting legacy of debt. Right now, that future does not look so bright if we do not change our ways.

This year, the national debt has surpassed the astounding figure of $5 trillion. It is increasing at an average of $650 million every day. Even today, we are spending more on our interest payments than we are spending to defend this Nation.

By the way, as of 12 o'clock this afternoon, every child born in this country today already owes $19,357.86 as their share of the national debt. The moment they are born, they are $19,000-plus in debt. Over his or her lifetime, that child can expect to pay over $187,000 in taxes just to cover the interest on that debt. That is about $4,700 a year, or more than $400 a month that they are going to pay just to cover the interest on that debt.

To meet its annual interest obligations, Congress has repeatedly raised the taxes of working Americans. As a result of an overwhelming burden of taxes, families now are having a tough time raising their children, paying their bills, and trying to make ends meet.

The Congressional Budget Office projects that spending on mandatory expenses, such as interest on the debt, will exceed 70 percent of total Federal outlays by the year 2003—meaning that less than 30 cents of every tax dollar will be available for education, environmental protection, crime prevention, and highways.

Is that the legacy that we want to leave to our children? For that reason, we should all agree that balancing the budget without raising taxes must be the foremost goal of this Congress.

It is our responsibility and duty to ensure the American children of this generation and the next a strong economy, a good education, a clean environment, and a debt-free future, but also that they have the ability to have their own dollars in the future to continue the efforts and not just to pay interest again on this Congress' mistakes.

A constitutional amendment mandating a balanced budget is perhaps our best hope. There are those who question the need for an amendment requiring a budget that is balanced. After all, they argue, should a responsible Congress not be able to balance the budget without the need for a constitutional requirement? Yes, we certainly should. Congress should have the backbone to limit its spending and set priorities, just as every Main Street American family has to do.

If a family in my State of Minnesota wants to buy a house, it works out a mortgage and a payment schedule that fits the family budget. Eventually, that debt is paid; it is not passed on to the next generation. That is what the vast majority of Americans do when they make a major purchase. But that is not how the Federal Government operates. It borrows the money, without any kind of schedule for paying it back, except to go and raise taxes, or borrow it in the name of our children, and that debt continues to build, and the payments keep being deferred. And the debt, again, is passed down to our kids.

We often hear the argument of the need for borrowing and spending today to help our kids. Those short-term arguments will, in fact, in the long-term, harm the very people that those arguments say they want to protect.

If that family in Minnesota decides it needs to tighten its belt, it does. Congress simply punches another notch or two in the leather. Congress simply does not have the backbone to restrain itself; it never has and maybe never will.

Look at the facts. Congress has spent more than it has taken in for 55 of the last 64 years. We have not bothered to balance the budget since 1969. But for my colleagues who sometimes get lost in statistics, here is the reality of what our fiscal irresponsibility means to average Americans. Today, every family of four owes $3,500 on the interest on the national debt. That means $3,500 less to care for our kids, $3,500 less to keep our families fed and clothed.

A balanced Federal budget would actually put those dollars back into the family budget. Economists have universally predicted the positive effects achieved with a balanced Federal budget. By the time 6 years have passed and the budget is brought into balance:

GDP will grow by an additional $10.8 billion than it would under current law, interest rates will drop, and Americans will boost their spending power through an additional $32.1 billion in real disposable income.

A decrease of just four-tenths of a percent in the mortgage rate would save the buyer of a $100,000 home some $10,000 over the life of a 30-year mortgage, and there are estimates that interest rates could fall a full 2 percentage points, which would create even greater savings.

An additional 104,000 family homes would be built, and 600,000 more automobiles would be sold. That is good for the economy, that is good for jobs, and that is good for everyone.

Job providers would be empowered to create new jobs and pay higher salaries for those jobs, as many as an additional 6.1 million new jobs, by some estimates.

Makes the minimum wage increase look petty, does it not? So what does all this really mean on Main Street? Well, for an average American family with two kids, a mortgage payment, car and student loans, a couple of pets and lot of monthly bills, a balanced Federal budget would put nearly $1,800 a year back into the family bank account by the savings that we would reap from a balanced budget. Let people earn more, and then let them keep more of that money. There are those in this Congress on this Senate floor who say no, that Americans need to give Washington their money, and then come ''hat in hand'' begging for our compassion as Washington then sits in judgment of who gets what. And who are they going to take that money from to pass it out?

Coupled with the $500-per-child tax credit that makes up the cornerstone of our balanced budget legislation, a typical family of four would reap a balanced budget bonus of $2,791 every year.

Yes, the concept is simple enough, and those practical statistics should be all it takes to convince anyone of the need for a balanced budget. But our internal battles over the past year have demonstrated just how difficult it is to carry out such a seemingly simple idea. We have proven, more than ever before, the need for a balanced budget amendment.

Through the commitment of this Congress to eliminating the deficit and erasing our debt without raising taxes on middle-class families, we were able to move $40 billion closer to a balanced budget last year by controlling the growth of government spending and rooting out a great deal of waste and inefficiency. But as each of my colleagues will remember, it was a battle that took every ounce of our energy.

Because of the opposition of the President and my colleagues across the aisle to even these modest, sensible spending reductions, we endured 2 protracted Government shutdowns, 14 temporary spending measures to keep the Government from running out of money, 3 Presidential vetoes of our appropriations bills, and a final veto of our actual balanced budget legislation. At the end of the day, we had moved closer to a balanced budget. I am proud of our efforts. We must not stop working for a balanced budget amendment, however.

Under the leadership of a Republican Congress, each and every person is

dedicated to achieving a balanced budget by the year 2002. If this Congress could not force the big spenders in this body and the White House to mend their money-hungry ways and balance the budget through simple legislation—just as past Congresses could not do in 1964, 1976, 1978, 1979, 1980, 1985, 1987, and 1990—what chance do future Congresses have without the moral authority of the U.S. Constitution to back them up?

The American people know it will never happen without a balanced budget amendment, and they are calling on us—overwhelmingly—to pass it. Again, if we pass this balanced budget amendment, all we are doing is going to give the States and the voters of those States the opportunity to say yes or no. We do not make that decision on this floor. We are saying we are going to give the American people the opportunity to say yes or no to a balanced budget. But there are some that do not believe the American people can make that decision.

A Gallup Poll published just 2 weeks ago in USA Today showed that an astounding 83 percent of the American people support this amendment. It was the most popular item surveyed, and why should it not be? It makes perfect sense.

In Minnesota last year, just days before the Senate voted on the balanced budget amendment, I was joined at the capitol in St. Paul by members of my State's House and Senate delegations, elected officials from both sides of the aisle who were less interested in party labels than ensuring America's economic security. On behalf of working families who cannot understand why Washington refuses to get its finances under control, on behalf of families who are terrified by the legacy of debt we are building for our children and grandchildren, we signed a petition urging Congress to immediately pass the balanced budget amendment and send it to the States for ratification.

Together, we sent a strong, unqualified message to all Minnesota taxpayers that we heard their message and were no longer willing to accept business as usual from the Congress.

Today, we are all a year older, a year wiser, and just as committed to our purpose as we were 1 year ago.

Unlike the Federal Government, which has managed to amass a $5 trillion debt, Minnesota does not rack up debt year after year.

Unlike the Federal Government, Minnesota does not spend beyond its means, building deficits that will take years to wipe away.

Unlike the Federal Government, Minnesota does not promise the Moon, while mortgaging the stars in order to deliver.

Why is it that Minnesota has succeeded where the Federal Government has failed? Why have 48 States abided by a balanced budget every year? Because the Minnesota State Constitution requires that we balance our budget, as do 48 other States.

Not only does Minnesota and 48 other States have to balance their budgets, but families and individuals have to balance their budgets, too. Businesses that cannot balance their budgets soon find themselves out of business. The only place where a balanced budget is not the rule is in Washington. That is what we are here to change.

As support for a balanced budget amendment grows among the public, the fear of what it will mean to those who have built their careers so recklessly spending the taxpayers' hard-earned dollars have intensified. As we move closer and closer to enacting this critical legislation, they see the writing on the wall, and frankly, they are scared, so scared, I have been told there may be colleagues of mine who would change a vote they made on behalf of this legislation a year ago to vote ''no'' this time around.

Well, the public should be outraged that there are those to whom a piece of legislation so vital as the balanced budget amendment is nothing more than a game, and their vote nothing more than a political poker chip, to be traded at will when the stakes begin to rise.

I would remind those colleagues of mine who speak out against this amendment that we would not be having this debate were it not for 30 years of deficit spending by this body. If we let the American public down again—as we did on March 2 of last year, when this Chamber turned back the balanced budget amendment—we will feel the anger of the people at the polls in November, and I believe they will speak with an even louder, more unified voice than they ever have before.

As I conclude, I turn to the words of President Thomas Jefferson, a leader who understood the importance of economic freedom in a free society, and the dangers of imposing our fiscal burdens onto our children.

He wrote:

> The question of whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, morally bound to pay them ourselves.

Mr. President, those words are just as relevant today as they were when penned by Jefferson nearly 200 years ago, during the founding days of this Republic.

For all our differences—in beliefs and purposes—we should all share the common goals of building a better economic future for the coming generations, and giving them the freedom to seek success unfettered by any constraints we may impose. As we debate the merits of the balanced budget amendment, let us not lose sight of that goal. I urge my colleagues to support this amendment, and to do it for the sake of our children and our grandchildren.

Mr. President, I yield the floor.

Mr. THOMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. Mr. President, we continue down the road toward bankrupting our country. The fact that I keep repeating this, and that others keep repeating this and perhaps we get used to hearing this, does not make it any less true. It cannot be repeated often enough. And behind closed doors Democrats, Republicans, people in the Congress, people in the White House, all admit what has to be done to keep from turning this country into one that is second rate when we leave it to our kids.

The most frustrating part of the last year and a half that I have spent in the U.S. Senate is witnessing close up the fact that we do not have the ability or the willpower to do what we all know is necessary and what we all know is the right thing to do. That is why I believe that our last clear chance to do so is undoubtedly a constitutional amendment to require us to balance the budget.

We all know that Medicare is on its way to insolvency. We all know that Social Security is on its way to insolvency. We claim to have reached a consensus in this country that we need a balanced budget—not only that but that we need to balance it with real numbers and not phony numbers; and, not only that, that we need to do it in 7 years.

But with all of this knowledge and all of this consensus and agreement behind closed doors and all of this coming together in terms of what needs to be done, we cannot take the first step. We have spent the last year to year and a half proving to the American people that we cannot really take the first step toward doing what we know has to be done. And yet there are those among us who continue to say we do not need a balanced budget amendment. Of course, we need to balance the budget, but we do not need a balanced budget amendment to require us to do so. All we have to do is to do the right thing.

I challenge anyone to give any evidence over the last year, year and a half that we have shown any ability or will to do the right thing. It does not exist.

We talk about a 7-year balanced budget. The President has a proposal. We have a proposal. Under the best of circumstances, even if either of these proposals were adopted, it is doubtful that it would be carried out; the proposals are back-end loaded. The President has some 60 something billion of cuts in the last 2 years of that 7-year time period. It is extremely doubtful, to say the least, that those cuts would actually be made when the time came. It is a matter of rolling our sins forward for yet a few more years when most of us are out of office and do not have to face the consequences and under the assumption that future Congresses will have the courage that we do not have except we are making their

job tougher than the one we have today.

Even if it does happen, even if we get everything we want, for example, on this side of the aisle, we are looking at the end of that road at a $6 trillion debt. We are looking at the end of that road at the imminent retirement of the baby boomers. And the people who keep up with the demographics point out to us what that is going to mean.

By the year 2030, there will be twice as many people over the age of 65 as there were in 1990 and only 20 percent more workers, so those people paying in those FICA taxes for those retirement programs are going to be dwindling in number while the retirees are expanding. We all know what the results of that are going to be.

We all know we cannot continue down this road, and yet it is another election year and so the President vetoes our attempt to balance the budget. He opposes our attempt to pass a constitutional amendment, and our friends on the other side of the aisle fall in in lockstep.

Mr. President, this is not an esoteric economic issue. It is about the future of this country and the kind of America we are going to leave and what it is going to look like to our kids. What it is going to look like is astronomical tax rates they are going to be paying if we continue the spending pattern that we have had. It is going to mean astronomical interest rates that they are going to be paying. It is going to mean more and more reliance on foreign money and foreign investment coming into this country to help us pay the interest on the debt.

It is going to mean diminished savings. We already have the lowest savings rate in the industrialized world, the United States of America does, one of the lowest investment rates in the industrialized world in the United States of America. That is why we are looking at such low growth rates. You add to that the taxes that are going to be necessary to finance this astronomical debt as it goes out here, the interest rates that are going to come from that, and you are talking about economic disaster that is facing us. There is really not any serious debate about that. And all those people who complain about any kind of effort to balance the budget because they are looking out for the kids, they are looking out for the elderly, they are looking out for the young folks, what are you going to say to those young folks then when they cannot even go out and buy their first home when they start their families? What are you going to say when they cannot even buy a car because of the interest rates? And the tax rates they are going to pay. It will not make sense to work any more under those circumstances.

Yet we heard in the last couple days now the latest bid in the tax cut game from the President is to finance 2 years of college for people. I can only say we can debate that issue later, but we better be financing maybe 10 or 15 years of college for people because they better stay in college. There are not going to be any jobs out there for them at the rate we are going. Everybody cannot go to college and stay forever. There has to be a work force out there, and they have to have reasonable interest rates to pay when they go to buy the items to build their family. They will have no need to buy a home. We are making it so they will not be able to do that.

We are the first generation in our history that even considered borrowing against our kids and those yet unborn to finance our own consumption. That is shameful. That is what we are doing. And yet we continue to say we do not need a constitutional amendment; we just need to do the right thing, when today, even today, every man, woman, and child is paying $1,000 a year just to finance the interest on the debt.

Some say, well, we are making progress. We passed the largest tax increase in the history of the world, and we temporarily reduced the deficit, knowing that when the baby boomers start retiring in the next few years, it looks as if a rate that is slowing down is going to go off the charts in an upward direction.

We say, well, look at what we did last year: We cut $23 billion from the budget from the year before. A drop in the bucket, Mr. President. We did not touch any of those areas that are increasing, some at the rate of 10 percent a year, that are going to have to be reformed if there is any hope of saving them.

Yet now we hear all of the same old arguments against the balanced budget amendment—we should not be tinkering with the Constitution. And I certainly think we should not be tinkering with the Constitution. But the Founding Fathers assumed that changed circumstances required us to seriously address our Constitution from time to time.

I would say the circumstances have changed. Thomas Jefferson and George Washington never thought about the possibility of bankrupting the next generation before they were even born. Those are the changed circumstances we are looking at today.

I would also say, Mr. President, if we have an economic meltdown in this country, there are going to be changes in regulations, there are going to be changes in statutory law, and, yes, there are going to be changes in the Constitution that are worse than our worst nightmares right now about what those changes might be. So the answer to that is to make some reasonable changes to get us on a flight path that shows some possibility of saving ourselves from ourselves.

Is that a pitiful situation or not? Of course it is. It should not be that way. But we have given ourselves now ample opportunity under all kinds of circumstances to so-called do the right thing, and yet here we are a year, a year and a half later. Every time somebody makes a proposal, the other side goes on television with 30-second attack ads to make sure we do not do anything responsible, because this is an election year. And yet they say we do not need a constitutional amendment. I say we need to do whatever is necessary to keep from handing this country over to our kids in a way that we would certainly not want our parents to have handed it over to us, and they, in fact, did not.

The other argument we hear, of course, is one that the opponents of the balanced budget amendment want to protect Social Security. Mr. President, in my brief time here I have learned that if you want to stop something, if you want to throw a roadblock in the way of something being accomplished, you run out the old Social Security red herring and try your best to scare the elderly, because if you can scare the elderly, you can create enough temporary political confusion that you can prevent any kind of reform.

This is, of course, what has happened again. Six of my colleagues on the other side of the aisle in 1994, when there was no chance of a constitutional amendment for a balanced budget passing, voted for the amendment. Last year, when we had a real good shot at getting it passed, we fell one vote short. One Senator switched back and voted against the constitutional amendment. And the reason for that is they discovered that it might have endangered Social Security in some way.

The argument goes that because we include the receipts that go into Social Security and the expenditures that go out of Social Security in the entire budget, in some way that is endangering that program, and if we somehow pulled it out and set it over here to the side, that in some way would protect it. Of course, it is an appeal to fear. It is an appeal to ignorance. It has no relationship to reality.

It has been pointed out on this floor by my Republican and Democratic colleagues alike. Senator SIMON of Illinois just the other day, of course, pointed it out as a fig leaf that some will try to hide behind because they do not want a constitutional amendment to balance the budget. Time magazine called that argument ''mendacious nonsense,'' the idea that the constitutional amendment to balance the budget would somehow endanger Social Security.

The fact of the matter is, only if we get the reforms necessary to keep from bankrupting this country can we protect and preserve Social Security. So the contrary of that argument is the case. Not to mention the fact that all we are doing is treating it the way that we have been treating it for three decades in this country, Democrat and Republican administrations alike.

President Clinton's last budget kept it all together, just the way we have always done. We did not hear any cries from our friends on the other side of the aisle when that happened. They voted for it. They voted for that budget, to keep all Government revenues

and all Government expenditures together. You are not looking at a realistic situation if you do not consider them together. We all agreed on that. So the Johnny-come-lately argument.

Not to mention the fact that if, in some way, Social Security was sequestered from the entire budgetary process, that would make, of course, balancing the budget impossible because it would require $360 billion more cuts than what we have to make now. We have shown we cannot do what is necessary now, but if the income and the outflow of Social Security were taken out of it, we would have to cut programs another $360 billion. The opponents of the balanced budget amendment know this. They know it would make it absolutely impossible to be workable under those circumstances. We strained and fought for a year and a half. We got $23 billion in cuts—not $360 billion, but $23 billion.

But the point they make is that Social Security is now in surplus, so if you put it all together in the general budget, the general budget is getting the benefit of Social Security because it is in surplus and it makes the deficit look smaller. And it is true. It is true. That is the way the books are kept, and that is true, when you talk about for the next 15 years, for the general budget.

You know, those are Americans, too, getting the benefit of the general budget. Many of the same people who get the benefit of Social Security get the benefit of the programs in the general budget. But for the next 15 years, the numbers on the Social Security side will assist on the general budget side. And that is true.

But typical of the way that we think in Washington, DC—which is, if we are lucky, a couple of inches past our nose—we are not looking down the road. We are not caring about anybody but ourselves. We are not even caring about our own children. Because look at 16 years out. Social Security is in surplus now, but along about 2011, Social Security goes into the red, and we will be paying out more in Social Security, at a steeper and steeper rate, than we are taking in. So, by being a part of the general budget, under those circumstances Social Security gets the benefit of that, because where is the money going to come from to make the Social Security payments if not from the general budget?

Nobody, no opponent of this measure, is coming here and saying we need more Social Security taxes. Nobody wants to advocate this. So where is the money going to come from?

The point is, approximately $850 billion annually will be needed by the year 2030 to fund Social Security, to pay current the liability over and above payroll tax receipts. So, by the year 2030, Social Security is going to need $850 billion from somewhere. We are in surplus now, but here is what it is going to look like starting about 2011. But by 2030, we have dug a real big deep ditch for ourselves. Nobody wants to talk about that.

Mr. President, just to repeat, the so-called saving Social Security by not going along with the bookkeeping entry that we have done for three decades, Democrats and Republicans, is a total red herring, a figleaf to hide behind by those who do not want to stop the culture of spend, spend, spend, and hopefully elect, elect, elect in a campaign year.

Mr. President, in conclusion, I urge we take what I referred to earlier as this last clear chance that I believe we have this year to take that first step—it is not a solution; goodness knows we are a long, long way from a solution—but to take this first step toward doing something responsible so we can hand this country over to our kids and to our grandkids in halfway decent shape, the way our parents and forefathers did for us.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I yield myself 10 minutes from Senator THOMAS' time.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, the question I fear most as a Senator is not a question from a news reporter, it is not a question from a constituent visiting my office, it is not a question from a constituent at home; it is the question that I fear my grandchildren will ask me, and it is this. ''If you were a Senator back then, why didn't you do something? Why didn't you balance our budget, so my family would be able to have jobs and afford an education?'' Mr. President, that is the question I fear the most.

A great-grandparent, born in 1900, paid about 24 percent of the family income in Federal, State, and local taxes. That is after the benefits were taken out. A 26-year-old mother today, who may be working in an office or raising her children at home, will pay at least 34 percent of the family income in taxes after benefits. That is already one of the highest levels in our country's history. But if we do not change our ways, the real bad news comes for her children. Her young baby will pay 84 percent of lifetime income in taxes if we do not balance the budget in this country. That is what it will take to continue our current policies for Government spending. Our grandchildren cannot support such a burden of spending, debt and interest. At 84 percent, they will not be able to find jobs at all, much less pay their bills.

I do not ever want to be asked why I did not change the course of this country. I did not come to Washington to support the status quo. I came to change the way they do business in Washington, DC. I came to get Washington off the backs of the hard-working American people so they can earn more and keep more of what they earn. That is the American dream.

With a balanced Federal budget, the Joint Economic Committee forecasts that interest rates will fall by 2 percent. Let us look at what that means for the American family.

Senator PHIL GRAMM came up with this chart to talk about what it will mean to each family to have interest rates lowered by 2 percent. Our children's education? We would save $1,369 on a 10-year student loan because interest rates would be 2 percent less. There would be a $680 saving on a car loan over 4 years. For a small business, it would mean a savings of $4,716 on a 8-year loan.

Farms that are struggling right now, especially in my home State of Texas, where we have a terrible drought, nevertheless have loans to pay. A 2-percent drop in interest rates would save the farmer $2,067 on a 6-month loan.

What most Americans pay the most interest on is homes. On a home mortgage, 30 years, a 2-percent drop in interest rates would create $1,880 per year in savings—almost $2,000. That is like saying we are going to cut your taxes $2,000 just by balancing the budget. So, with more interest kept in our pockets instead of paid to the bank, we will be able to send more of our children to college, give more of our children jobs in small businesses, and earn enough to pay for our homes and cars.

Yesterday, my office got a letter addressed to all Senators signed by 91 interest groups asking us to oppose the balanced budget amendment. It was signed by all sorts of groups: Labor unions representing teachers, postal workers, Government employees and auto workers; the American Association of Retired Persons; the League of Women Voters; the Americans for Democratic Action, several environmental groups; and several churches of many different faiths.

Why did 91 of these groups come together? What is their common bond? They are asking the hard-working people of America to work for their priorities. Many of these groups balance their budgets every year on the backs of the American taxpayer, the same taxpayer who goes to work every day hoping to earn enough money to do a little bit better for their children.

These groups had the nerve to say, ''The American public has a right to know how a balanced budget will be achieved before a balanced budget amendment is enacted. Which important programs—education, health care, Social Security, transportation, job training—will either be dramatically cut or eliminated threatening America's vital interests?''

That was the question asked by these 91 groups. Where have they been? Where have they been for the last 2 years? For the first time since Government careened out of control, we have done exactly that. We have told the American people exactly how we will balance the budget over 7 years, and we are asking for a constitutional amendment that will assure that once we do

the work to balance it, that never again will a Congress be able to rob from our future generations to pay for what we are going to do today.

This Republican Congress has passed a balanced budget twice. It balanced a budget last year that did not touch Social Security, that allowed for increases in Medicare and Medicaid, that funded education, the environment, job training and transportation, and protected our children by cutting taxes on their parents and providing their futures will be deficit free.

But, what happened? President Clinton vetoed the balanced budget. So we have delivered a balanced budget in writing, and if they are looking for the details, they can look in President Clinton's wastebasket. And while they are there, maybe they will look at some of the promises that have been made by the President, because 4 years ago yesterday, June 4, 1992, President Clinton told the American people on television that if he was elected, he would present a 5-year balanced budget plan. He went back and forth on that over the last few years, but then when he did submit what he called a balanced budget to Congress, he did it by saying that all the tough cuts would come after the year 2000 when he would be gone, if he is elected to a second term.

I think that is the difference between the President and the Congress. The President has said one thing and made those promises and he has done something entirely different. Congress said what they would do in 1994, and they have kept their promises to the American people. We have set our priorities, and we have kept our promises.

So when the interest groups line up to oppose change, I think they should really consider what they are doing to their own members. Do the auto workers want to lower interest rates so they can build and sell more cars? Do the Government employees want lower prices on their homes so they can afford their part of the American dream? Do retirees want to leave a better world to their grandchildren? I know they do, because they contact my office all the time saying that they do.

To make this happen, we must change the way we do business in Washington. We must stop the deficit spending and make sure that no future Congress does it again.

To stop the deficit spending, we need a permanent constitutional protection so that we will not be able to go out and borrow money on our children's future. The more the population ages, the more economic growth stagnates from high tax, slow growth policies the more urgent our problem will become.

I urge my colleagues to vote with me to take action now to protect our country's future for our children by passing the balanced budget amendment and sending it to the States for ratification. We will be better remembered by our grandchildren if they have the same kind of America that we have been privileged to grow up in. And, Mr. President, I do not want to face my grandchildren 20 years from now and have them ask the most dreaded question: ''If you were a Senator back then, why didn't you do something?''

We can take action on the balanced budget amendment this week, and we can set the future course for our country and for our children and for our grandchildren.

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

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I am authorized to yield such time from Senator Thomas' time as I may need.

Mr. President, in a free country, some questions are never answered finally and definitively but must be addressed anew by each generation. It is, I think, for that reason that the words of Thomas Jefferson at the beginning of our Nation's history are so apposite today. Thomas Jefferson said:

> To question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of Government. We should consider ourselves unauthorized to saddle posterity with our debts and morally bound to pay them ourselves.

That method of phrasing the question in Thomas Jefferson's time is every bit, if not more, applicable today during the course of this debate as it was almost two centuries ago.

This debate is most fundamentally about a moral question, about our right as Members of Congress, as representatives of the people of the United States to spend money, to advance programs—however well-intentioned, however successful—for which we are not willing to pay and to send the bills to our children and our grandchildren.

The question is practical as well as moral: Constant deficits, the increase in the burden of debt, the increase in the rate of interest which the Federal Government must pay on that debt and, equally significant, the interest rates individuals must pay when they purchase homes or automobiles, that businesses must pay when they wish to expand and give more opportunity.

Burdens—the burdens of regulation, the burdens of a large Government—are enhanced by unbalanced budgets, by the creation of bureaucracies, agencies, rules and regulations for which we are unwilling to pay but are willing to undertake only because we can send the bill to someone else.

Mr. President, there are a series of objections to this proposal. I hope it is not oversimplifying it by saying in some connections, they come from those organizations and those individuals who simply fear for the survival of their programs if present-day taxpayers are required to pay for those programs. Those fears are perhaps well-founded.

Clearly, if this amendment were a part of the Constitution of the United States, we would spend less on today's programs. We would be required to set priorities to determine which are the most important programs to a far greater extent than we do at the present time.

A second objection which I have heard is, ''Oh, it won't be enforceable anyway. People will find escape valves, ways to get out from under the requirements of this constitutional amendment.''

A third is that we are turning the entire proposition over to the courts of the land, that courts will be able to impose taxes or cut spending if the Congress does not do it itself.

These are just some of the parade of horrible theories with which opponents regale us during the course of this debate. Some of them may or may not to a certain extent have a degree of validity.

But the other half is reality, Mr. President. For all of the fine words about our balancing the budget without a constitutional amendment, no Congress and administration has done so in 30 years. Yet, there has hardly been a Member of this body or the other body during that three decades who has not given lip service to the proposition that a balanced budget is a good idea. It has just not been quite so important as some other idea which each of those hundreds, perhaps thousands at this point, of Members of Congress have had. Reality, in other words, Mr. President, speaks far louder than any words we can possibly state.

I must admit that I was persuaded by some of those arguments a decade ago. I voted against a predecessor to this constitutional amendment based on the proposition that Congress ought to do the job itself. Well, Mr. President, fool me once, shame on you; fool me twice, shame on me. It had not happened before I came to this body; it has not happened since I came to this body.

I simply leave off with the proposition that if we do not change the structure in which we operate, the same excuses, the same reasons will be presented a decade from now that are being presented here today, and it is very likely that we will be no closer to that balance, that we will continue to pile unjust burdens on our successors, that we will continue to fail the moral duty that Thomas Jefferson outlined for us.

Just last year this constitutional amendment was defeated, largely by the votes of Members of this body who said, ''We don't need a constitutional amendment. We simply need the moral courage to pass a balanced budget ourselves.''

We took up that challenge, Mr. President. The Presiding Officer was a part of it. I was a part of it. We did, in fact, in this body and in the House of Representatives pass a balanced budget plan that would have met the requirements of the constitutional amendment had it been a part of the Constitution. We did that for the first time

in 30 years. And we were faced with a veto by the President of the United States.

In turn, the President of the United States then presented what he claimed to be a balanced budget, though all of the heavy lifting, all of the significant spending cuts would not take place until after the next President's full term had expired. That has not been accepted.

As recently as 2 weeks ago, Mr. President, for the first time in several decades, a group of Members from both parties in this body, Democrats and Republicans, came together and came up with an alternative proposal for a balanced budget that significantly impacted the entitlement spending programs which are at the heart of our deficit challenge. But, Mr. President, they failed, even though they got 46 votes out of 100 in this body. They failed. And they failed, among other reasons, because of the deafening silence from the President of the United States, a silence which communicated disagreement, disagreement based on the proposition that the President of the United States would no more have signed that bipartisan proposal than he would the Republican proposal of last December.

So, Mr. President, why should anyone listening to this debate believe that what has not taken place for 30 years will take place if this constitutional amendment is defeated? Every element in our history tells us that it will not. Each individual Member is more committed to something that he or she considers more important than the balanced budget, absent the discipline this constitutional amendment will impose on us.

So, Mr. President, I think this debate comes down to our own individual answers to a series of questions.

Do we really want a better economic future for our children and grandchildren?

Do we want them to be able to live in better homes because mortgage interest rates are lower?

Do we want them to have greater opportunities and more choices of jobs in a more prosperous economy?

Do we want their incomes to be higher because their Governmental burdens are less?

The answer to each of these questions, of course, from everyone here is in the affirmative.

But the fundamental question, Mr. President, is, do we want those goals for the future badly enough to do something about it, badly enough to take a difficult vote at this particular time?

Do we, Mr. President, want to live up to the advice of Thomas Jefferson? Do we care enough about our ethical and moral responsibilities to those who come after us to say, ''The present system has not worked. We need a new system''?

Only if we pass this constitutional amendment, only if we allow this debate to take place in 50 State legislatures, as they debate the confirmation of such a constitutional amendment, will we carry out our duties.

History tells us, Mr. President, that we will not do it on our own. This constitutional amendment is needed. We hope for the endorsement of the President, which we are almost certain not to get. But we hope, even more significantly, for the courage, the concern for the future, the concern for our economy, the concern for our moral duties that can, in my opinion, only be carried out if this constitutional amendment is passed and submitted to the States for their ratification.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KYL. 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. KYL. Mr. President, I yield myself such time from the time of Senator THOMAS as I may consume.

Mr. President, we are talking today about the balanced budget amendment that we will soon be voting on again. There have been several different kinds of comments made about the need for the balanced budget, probably the two most prominent being, No. 1, the fact that in the short-term we will all be financially better off if the Federal budget is in balance interest rates will immediately begin to come down. All economists agree that interest rates will drop once the market understands that we are going to balance the Federal budget. That 1-, 2-, or 2.7-percent drop in interest rates, depending on which economist you believe, means Americans will have more money to put in their pockets immediately.

In my home State of Arizona, the average home mortgage is just under $100,000. The interest that would be saved as a result of balancing the budget for every Arizonan with that average home mortgage would amount to $2,655 every year—$2,655. This is real money. For the average student loan it is $547. So, if we here in the Congress can pass a balanced budget amendment and send that to the States for ratification, the markets will adjust, will lower interest rates, and all of us will benefit as a result of that, through immediate financial savings.

There are many other ways this occurs. The Federal Government has borrowing costs which I will discuss here in a moment. Those borrowing costs are reduced. As a result, we do not have to pay as much in taxes to cover those borrowing costs. It applies all throughout the economy, both the private sector and the Government sector. Balancing the budget will reduce interest rates, and that will mean money in our pockets. That is an immediate benefit for all Americans, regardless of income status, regardless of where they live. It is very, very important.

Second, Mr. President, the other primary argument about the balanced budget has been the valid observation that we owe our children and our grandchildren the promise of a future that will be as good for them as our lives have been for us. We want them to have as much opportunity as we have had. That will not be the case if we continue to run up the debt and then ask them to pay it in the future. It is very much like young people getting in over their heads with their credit cards. We know that credit card interest rates are pretty high. Soon after you have loaded up your credit card, you can hardly make the monthly payments. You have to sell one of the two cars you own. You have to maybe take out a second mortgage on the home, or in a case I know, someone had to sell their home to pay the interest accumulating on this debt. That is what we are asking our children and grandchildren to do if we keep increasing the Federal debt with annual Federal deficits.

Until there is a balanced budget amendment this is not going to stop. How do we know that? Some of our colleagues who opposed the balanced budget amendment last year made the argument, ''If you just let us do it, we will do it. That is what we were elected to come here to do, to make the tough decisions.'' We said, ''All right, let's do it.'' For the first time in 26 years, Mr. President, we passed a balanced budget, on November 17, 1995. The problem is on December 7, 1995, President Clinton vetoed that balanced budget. Because of the impossibility of overriding his veto, we have not been able to agree upon a budget that would achieve balance. That is, until just 2 weeks ago, at which time the Republican Senate again passed a new budget that would be in balance after 6 years.

This effort to ensure that our children and grandchildren have the same kind of future that we have had also has very real monetary consequences. I have a brandnew grandson, whose name is Jonathan. He owes the Federal Government $187,000. He is a year old. This is kind of a tough burden for him. That $187,000 is just to pay the interest on the Federal debt during his lifetime. That does not pay anything else. It does not pay for defense, for education, for health care, or for anything else; it just pays the interest on the debt. But that is how much he owes. It is unfair.

One of the reasons that I ran for the U.S. Congress when I did was to try to ensure that when I finally left this world, I left it better off than I inherited it. I have now acquired a position of great honor and opportunity to try to do something about that commitment that I made. All of us have said the same thing in one way or another. If we are not committed enough to do something for these young children and grandchildren that we have, to guarantee that they have as good a future as we have had, then we are not doing our job. We understand that, without the

constraints that are required to comply with the Constitution, we are not going to balance the Federal budget, and those kinds of obligations are going to continue to be imposed upon our children.

I said in the beginning that those were the two primary arguments for the balanced budget amendment. I do not see how anybody can argue that they should not call for the adoption of the amendment. I wanted to focus on a different aspect of it that still relates to this question of interest payments because I think it puts into perspective how far out of whack this has become.

I want to relate some figures on how much in the way of interest we are paying. What is the interest we are talking about again? This is interest on the accumulated $5 trillion-plus in Federal debt. Each year, we have a Federal budget deficit that adds to that debt and, therefore, adds to the interest. Here is what the interest payments now amount to. Compare this first with 1965, 30 years ago. The Federal Government in that year paid $8.6 billion in interest. I remember a couple of days ago when I was presiding, and the Senator from Illinois, Senator SIMON, who has been a very strong advocate of the balanced budget amendment and who, unfortunately, is going to be leaving the Senate at the end of this year, said—talking about the figure of $9 billion—''Back then, $9 billion was a lot of money.'' It reminded me of one of his predecessors who represented the State of Illinois, Everett Dirksen, who was famous for saying, ''A billion here, a billion there, pretty soon you are talking big money.'' Here is what this $9 billion in 1965 has come to. In 1995, 30 years later, instead of $9 billion in interest, the Government paid $232 billion in interest. In just 30 years, it went from $9 billion to $232 billion.

What does that mean in terms of the obligation of the average family? In 1965, that interest cost of a little under $9 billion amounted to 17.6 percent of all individual income taxes paid. In 1995, the $232 billion in interest cost was over 30 percent of income taxes. In other words, just think about April 15 when you paid your tax bill. Almost one-third of that was interest on the Federal debt. What did the Federal Government get for that? What did we get for that? Absolutely nothing. That is just interest on the debt. It did not buy a single airplane for defense, it did not buy anything regarding health care or education or support for the elderly, or any other Government program that is of interest to the people of this country. It just paid the interest on the debt.

Now, let us compare it to a couple items in the Federal budget. Let us compare it to national defense. In 1965, 30 years ago, interest costs were 16.9 percent of the outlays for defense in that year. But, in 1995, this $232 billion in interest costs was almost 85 percent of all outlays for defense. In other words, here is the defense budget. Thirty years ago, we paid, in interest, about 17 percent of what we were paying for defense. Today, we pay, in interest, 85 percent of what we are paying for defense. In other words, it is almost getting up to the same amount that we pay for defense, which is the single largest component of our discretionary budget.

So let us compare it to our discretionary spending. In 1965, interest costs were equal to 38.9 percent of all domestic discretionary spending. Domestic discretionary spending is the money we spend for agriculture, for subsidies, for health care, for defense, and all of the other things. But, in 1995, that interest cost was 92 percent of domestic discretionary spending. In other words, Mr. President, we paid almost as much in interest costs as we did for all of the domestic programs that were funded by the Federal Government.

So, Mr. President, it is clear that this interest cost is huge, it is growing, it is not productive, and it takes money that could be spent for other things. As a result of reducing this interest expense, we would all be far better off, and it will not happen unless we pass an amendment to the Constitution to require a balanced budget.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, is leader time reserved?

The PRESIDING OFFICER. Yes.

MEDICARE WILL GO BANKRUPT IN 2001

Mr. DOLE. Mr. President, the Medicare trustees have now released their report on the state of the Medicare trust fund, and the news is not good. Instead of going bankrupt in the year 2002, as they had previously forecasted, the trustees now conclude that Medicare will go bankrupt in the year 2001—just 5 years from now.

For the past year and a half, this Republican Congress has attempted to deal honestly and forthrightly with the impending Medicare meltdown. We have put forward a budget that would protect, preserve, and strengthen Medicare by reducing the unsustainable rate of growth, while still allowing for a healthy growth rate.

We did not claim that our plan was perfect or that it solved a long-term problem. But it was a real attempt to alleviate a crisis that will immediately impact 37 million Americans and will have repercussions on tens of millions more.

Along with our proposals to provide for short-term solvency in the Medicare trust funds, I also suggested, on numerous occasions, that President Clinton appoint a blue ribbon, bipartisan advisory committee, similar to the one I served on in 1983 that rescued Social Security, to help deal with this long-term crisis in Medicare. I was interested to see that Secretary Shalala made a similar recommendation today.

My response to the initial report of the Medicare trustees was based on my belief that leadership means more than just talking about the problem; it also means doing something to solve it. It is also clear to me that if we are to be successful, we must put politics aside and work on a bipartisan basis.

Unfortunately, President Clinton has been unwilling to do that. Ever since the trustees—three of whom are members of the President's administration—issued their original report, the administration has chosen to either ignore the warning of Medicare's impending bankruptcy, or to engage in a very sad campaign to frighten America's senior citizens.

It is an undeniable fact that the Republican proposal allowed spending for Medicare beneficiaries to increase from $4,800 to $7,200 per person over 7 years. It is also an undeniable fact that in their ill-fated health care reform proposal the Clinton administration advocated slowing Medicare's rate of growth. Despite that fact, however, the President vetoed our Medicare proposal. We have heard nothing—nothing at all—but attacks on Republicans for ''slashing and cutting'' Medicare. When the President was asked not long ago why he continued to use these terms even though they are not true—and I happened to be listening to the press conference—he said that the media made him do it. Maybe they did. But he has been doing it.

With the release of today's report, the inescapable conclusion is that, while the rhetoric flew, Medicare was put at further risk. Those who say that talk is cheap should now know that 18 months of misleading rhetoric may have gained points in the opinion polls, but it also put Medicare another $90 billion-plus in the red.

The bottom line is that the 37 million Americans who depend on Medicare deserve better. Future generations of Americans who will need Medicare deserve better.

The choice is clear. America's leaders can spend the next 5 months focusing on the next election, thereby allow Medicare to grow ever closer to bankruptcy; or we can focus on the next generation, and do what we must to save Medicare.

It will not be easy nor simple. The solution cannot be a shell game, moving money from one part of Medicare to another. A tax increase is also not the answer.

I call on the President to come forward with real initiatives so we can preserve the Medicare Program and to join with Republicans on a bipartisan basis, as I have proposed before, to address this very serious problem.

So we have 37 million Americans who depend on Medicare. That is the bottom line. Future generations are looking to whether or not there will be any Medicare trust fund or any Medicare benefits. I think we need to fix Medicare just as we fixed Social Security in 1983 on a bipartisan, nonpartisan basis.

I remember walking onto the Senate floor in 1983 right in that aisleway when we thought everything had evaporated—collapsed. I met Senator MOYNIHAN coming in the door. And we stood here and talked for 2 or 3 minutes about we could not let this happen; there were too many millions of Americans who depended on Social Security. So together we got it back on track. And the end result is we did in effect rescue Social Security.

Now someone is going to be asked to do the same with Medicare. I would call on the President to stop running the TV commercials, to stop trying to scare senior citizens, to stop trying to frighten seniors with some of the ads paid for by union dues. Millions and millions and millions of dollars have been spent on political attacks and TV attacks on Republicans who want to fix, preserve, and strengthen Medicare.

Today is the day of reckoning. Today even the administration says, ''Oh, well. We ought to fix this.'' We are going to fix it, or it is going to be bankrupt. And I believe it will be fixed.

So the President now I understand would like to work it out. He has had a whole year to bash Republicans, a whole year to scare senior citizens, and now he understands—at least the people around him understand—the seriousness of this shell game.

So I call on the President to come forward with real initiative so we can preserve the Medicare Program and join with us. As I said, our plan is not perfect either. Maybe we can come together. This is a very serious problem. It is not going to go away. It is not going to go away. The trustees' report is very clear on that particular area. It is not going to go away. We have to fix it. We have to stand up and be counted.

We cannot have it both ways. We cannot scare seniors on the one hand and fix it on the other. It is time to tell the American people the truth. It is time to tell the American people—to give the American people the facts.

So I would be prepared—I am certain my colleagues will be prepared—to work with the administration if in fact they want to work on a bipartisan basis. This is serious business—37 million Americans who want us to make progress to do it the right way—to preserve and strengthen Medicare.

Mr. HOLLINGS. Will the distinguished Senator yield?

Mr. DOLE. I am happy to yield.

Mr. HOLLINGS. I referred earlier to the BOB DOLE we know and love. I earlier remarked because he and I have worked to try to balance this budget over the years. More particularly I put in the RECORD a statement, and the vote and record made of the Greenspan commission upon which the Senator served where they recommended that Social Security after a period of years be off budget. Of course, the vote the Senator and I both joined in doing just that. In 1990 we put it off budget. The law was signed by President Bush. Now we have the Senator's amendment, and he got my vote. If we just do exactly what he intends, I think here in section 7, ''total receipts shall include all receipts of the U.S. Government except those derived from borrowing.'' That has been interpreted as borrowing from the public. Why borrow from Social Security? In other words, we owe Social Security $530 billion. These budgets which have been put out by both sides all use Social Security. So by the year 2002 we will owe $1.1 trillion.

So you can pick up not only my vote. By the letter we sent —I have talked to these Members; five of us, and at least more—pass this constitutional amendment by just protecting borrowing from the public but in conformance with the law which the Senator and I support; not borrow from Social Security. In other words really eliminate the deficit rather than move the deficit from the general Government over to the Social Security fund.

Mr. DOLE. Let me indicate first that I acknowledge the Senator's efforts over the years to face up to the budget problem. He has demonstrated it with his votes. I think in this case though—I do not have the amendment before me. I know what it says. I think if we do that over a period of years, others would like to do it right now—we phase it out. I think the Senator is saying he would prefer we do it immediately. We have been doing it the way proposed here for some time. Even in the 7-year budget plan we proposed, of course, we did not use Social Security.

So our view is—my view on this balanced budget which I will discuss tomorrow—is that we need to make it very clear precisely what we are doing because we need this discipline. We need to send this to the States, and give the States a chance to ratify it. If Kansas does not want to ratify it, or South Carolina, or Arizona, or Idaho, that is their right. But if three-fourths of the States do not ratify the amendment it does not became part of the Constitution.

I think the Senator from South Carolina also shares our views on Medicare. He is one Senator who will not stand here and let Medicare go belly up. I hope that there will be enough bipartisan support that whatever the problem is can be remedied and remedied very quickly.

Mr. HOLLINGS. If the distinguished Senator will yield, we would not do it immediately. In other words it would be part of the Senator's joint resolution, or balanced budget amendment, to the Constitution, and as the Senator's comments just indicated it would go back to the States for several years to be ratified. In the meantime, it would be in there and protected but it would not control immediately. And while they are ratifying we could be working, as the Senator indicated, to bring it into line without using Social Security funds.

So I do not see the harm done if we could just include that. We can pass the balanced budget amendment to the Constitution.

Mr. DOLE. I would be pleased to look at anything the Senator suggests. The Senator from Idaho, I believe, has about the same approach. At least it might be the same result obtained by the Senator from South Carolina. He will be our next speaker.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The Senate continued with the consideration of the joint resolution.

Mr. KEMPTHORNE addressed the Chair.

The PRESIDING OFFICER (Mr. KYL). The Senator from Idaho.

Mr. KEMPTHORNE. I yield such time from the time of the Senator from Wyoming as I may consume.

The PRESIDING OFFICER. The Senator is recognized.

Mr. KEMPTHORNE. Mr. President, as we listen to this critically important debate on the balanced budget amendment, we hear all of the different figures. The fact that $19,000 is owed by every man, woman, and child currently in America; the fact that we spend almost $300 billion in interest on the debt—all of these numbers. But I have a hard time understanding this. How do you put that in perspective—how big is that—in the few moments that I am going to speak? Because I am going to make the formal part of my speech a part of the RECORD. But in the few moments that I am going to speak—that is 5 minutes—we will have $5.5 million in interest payments.

So what does that equate to? That means that instead of paying that interest we could put 100 police officers on the street. It means that during those 5 minutes that I will be speaking we could instead use that $5.5 million to immunize more than 45,000 kids in America. It means that we could provide a year of Head Start for almost 1,500 kids in America. That is what we are consuming just in the few moments that I will be speaking.

Today, as I walked over here, I saw all the Americans that are visiting this Nation's Capitol today. I think it is tremendous to see the citizens coming and seeing this Nation's Capitol. Just outside the door are the rich portraits that we have of George Washington and the Founding Fathers. We think about our history and what this country is founded upon. George Washington said in his farewell address to the Nation that he warned Congress to ''cherish public credit and to use it as sparingly as possible avoiding occasions of expense.'' And Thomas Jefferson, who believed so strongly in a balanced budget, said that it was so important ''as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts and morally bound to pay them ourselves.''

Those are the principles upon which this Nation was founded.

So how have we abided by those words? Are we paying our debts as we

go? No. The last time that we had a balanced budget in the United States of America I was 17 years old. I now am the father of a 17-year-old daughter.

It has been a generation since we have had a balanced budget. We do not have the discipline, so we need to make it part of the Constitution.

Now I want to just step back, Mr. President, and address the big picture. Again, we mention all these numbers. But I just hope all Americans realize that while we try to get a two-thirds vote in the Senate of the United States, because it has passed in the House already, the balanced budget amendment, that does not mean we have accomplished a balanced budget for the country.

That simply means Congress is saying we will now put the question to the 50 States of the Union because we are the United States of America. We are not the Federal Government of America, so we place that question before the 50 States so that the people of America can affirm whether or not they feel we should have a balanced budget amendment.

It is hard for me to understand how this body can come to the conclusion that for some reason we must not ask that question of the American public. It is inconceivable especially when you look at the track record of how we have so poorly spent those finite resources, the dollars of the citizens of America, because it is not the Government's money. It is the people's money, and they should be brought into this process.

With that, Mr. President, I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from North Dakota has the floor. The Senator from North Dakota is recognized for 1 hour.

Mr. DORGAN. Mr. President, I am going to yield time to the Senator from Arkansas, [Mr. BUMPERS] as soon as Senator BUMPERS comes to the Chamber. Following that, I intend to make some remarks about this subject.

I see Senator HOLLINGS from South Carolina is in the Chamber. I listened intently to Senator HOLLINGS and always enjoy his presentations. He knows this subject. As the former Chairman of the Budget Committee he has been involved in this subject for a long, long time. And I think if one looks at the record of Senator HOLLINGS on taxing and spending issues, no one in this Chamber could credibly argue he does not want a balanced budget. No one has been a more vigorous fighter for a balanced budget in the Senate than Senator HOLLINGS from South Carolina. The point Senator HOLLINGS has made is there is a right way to do this and a wrong way to do this.

This is a copy of the Constitution. This copy is a little small booklet, the kind that Senator BYRD, our distinguished colleague from West Virginia, carries with him. He is fond of saying this is his contract with America, the Constitution of the United States.

This, incidentally, was written over 200 years ago by 55 men—55 white men, to be exact—who convened in a small room in a place called Constitution Hall, the assembly room of Constitution Hall in Philadelphia, PA. Those 55 men spent the summer writing a Constitution for our country. I was selected to be one of 55 people who on the 200th birthday of the writing of the Constitution went back into the same room and held a celebration, a 200th birthday celebration of the writing of this remarkable document, the Constitution of the United States. And on the 200th anniversary, 55 of us went into that room, 55 men, women, minorities—a wonderfully diverse group of Americans convened in that room.

That little room up in Philadelphia has at the front of the room the chair where George Washington sat—yes, the very chair sat in by George Washington as he convened and chaired, presided over, the constitutional convention.

If you read the accounts of the deliberations, Ben Franklin sat over on this side, Mason, Madison. Thomas Jefferson was not there; he was in Europe. But he contributed through his writings enormously to the Bill of Rights of the Constitution. But you could not help, while sitting in that room celebrating two centuries of the Constitution of the United States, you could not help getting some goose bumps about what all of this is about.

This is the longest surviving, most successful democracy in the history of humankind. This democracy survives because the Constitution gives the power to the people. It is a country that belongs to the people.

The Constitution starts:

> We the People of the United States, in Order to form a more perfect Union, establish Justice, ensure domestic Tranquility, provide for the common defense, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.

''We the people.'' This is quite a remarkable document in the history of humankind.

Some in this Chamber view this as a mere rough draft. We have had over 140 proposals in this Congress alone to change the U.S. Constitution. I do not see many people walking around here who look much like Ben Franklin or Thomas Jefferson. And I worry that this Congress on a dozen different initiatives believes it can improve on the work of our Founding Fathers, who created a document that provides timeless truths about how democracy can work to serve the interests of the people.

I am going to talk about that in the context of this debate, a debate today about how to change, or whether to change, the Constitution in order to deal with this issue of deficits and fiscal policy. But before I begin that discussion, I want to call on my colleague from Arkansas, Senator BUMPERS.

Senator BUMPERS, like a lot of Senators in this Chamber on both sides of the political aisle, is someone for whom I have deep respect. No one has served this country more honorably and provided better service in the cause of democracy than my colleague from Arkansas, Senator BUMPERS. He not only is, I think, probably one of the best orators of the Senate in many decades; he is a person with a remarkable depth of knowledge about these budget issues. He sees where we have been, where we are heading, what is important, what we ought to be doing for the future of this country.

So I am just delighted to yield whatever time he may consume. Let me yield 20 minutes to the Senator from Arkansas, [Mr. BUMPERS].

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from Arkansas, [Mr. BUMPERS], is recognized for up to 20 minutes.

Mr. BUMPERS. Mr. President, first, I thank my distinguished friend from North Dakota for yielding. Second, I especially thank him for his very generous laudatory comments, all of which are true, of course, and to thank him for his very valiant, noble efforts in the cause of constitutional government.

He made an observation which I have made many, many times but frankly across the Nation seems to fall on deaf ears, and that is we are the oldest democracy on Earth. Our Constitution, which should be sacred to all of us, is the oldest organic, existing law in the world, and yet many of my colleagues want to treat it as an unfinished, rough draft. Every time we have a politically popular thing crop up in this country, everyone wants to amend the Constitution. Without denigrating specific colleagues, nor really denigrating the Senate as a body, I do not know a single person in the Senate that I want to defer to instead of James Madison, defer to instead of Benjamin Franklin, defer to instead of John Adams or John Jay.

Arthur Schlesinger, one of the preeminent historians of this country, has said, and I think with a great deal of acumen and accuracy, in 1787 the greatest gathering of minds ever assembled under one roof met in Philadelphia to craft this document which we solemnly swear, when we are sworn into the Senate, we will support and defend—the Constitution of the United States.

Is that a sacred, solemn oath we take, or is it something we do just for political reasons, because we have to, or because of legal reasons? I have heard it said in this body that 83 percent of the people in this country when asked, ''Would you favor a constitutional amendment to balance the budget,'' 83 percent of the people say yes. What they do not tell you is that 83 percent of the people of this country also say they are contemptuous of politicians who have to look at a poll in order to find out what they think.

The Senator from South Carolina, from Oregon, the rest of us, have a solemn duty to be educators as well as legislators. The people of my State did not all attend law school and study constitutional law. They have not all read ''The Federalist Papers.''

I am chagrined, irritated, and angry because in this body we want a constitutional amendment to balance the budget. We want a constitutional amendment to limit terms of Senators, as though the people of your State do not have enough sense to know who they want to vote for; or a constitutional amendment that would ban flag burning; a constitutional amendment that would require our children to recite certain prayers in school, and on and on it goes. This is just a snipe hunt. As a matter of fact, this amendment gives snipe hunting a bad name.

What does this amendment do? SAM NUNN, our distinguished colleague from Georgia, when we considered this before, very thoughtfully added an amendment saying the courts will not have any jurisdiction over this. I am not sure we can legislatively make that decision here, but assume we can; that answers the question ''Will all Federal courts have jurisdiction?'' Under the Nunn amendment, they would not. But let us just assume that, as my good friend from South Carolina is wont to say very often in this Chamber, we pass a budget resolution to say this balances the budget, pat ourselves on the back, give ourselves the good Government award, head on home and tell the constituents how great we are.

But, wait, some person that is aggrieved says, ''Look, that budget resolution is based on flawed assumptions about revenues and expenditures. You have it all out of kilter.'' Would he have a right to go to court and demand that Congress do this thing right, the way the people of this country told them to do it? I do not know the answer to that.

Will the Congress be required to raise taxes and cut spending to achieve it? Can they do it all one way or the other? I suppose they could, but I am not at all sure. Numerous questions remain unanswered. How does this amendment force Congress to reach an agreement about which specific spending cuts or which tax hikes we should adopt?

Finally, if you go to court, do you have standing? And what if the Supreme Court says this is a political question, which they often do where politicians are involved; where does that leave it? High and dry, just like we were last fall.

Mr. President, I have listened to a good portion of this debate from my office on C-SPAN. I cannot believe people come to the floor and they say, ''I do not have the courage to make the tough choices, to vote for a balanced budget; therefore, please vote for this constitutional amendment so the courts or the law will make me do it.''

Frankly, I do not want to get too strident or partisan about this, but if I were sitting on the other side of the aisle, that is exactly what I would be saying.

In 1993, every Member in this body, every single Senator, had a chance to vote for a meaningful deficit reduction package. It has been said over and over, but it bears repeating, that when we adopted that package in, I think, August 1993, not one Republican could find it in his heart to vote to reduce the deficit by $500 billion. The Vice President sat in the Presiding Officer's chair and cast the tie-breaking vote. Two-hundred and fifty billion dollars in tax increases, $250 billion in spending cuts. You cannot find a better way to start reducing the deficit. And OMB said, if you pass this, over the next 5 years the deficit will be $500 billion less than it would otherwise be.

Mr. President, that turned out to be grossly wrong. The figure now, according to OMB, is $846 billion.

Bill Clinton, to his eternal credit, I do not care whether you like him or do not like him, but I can tell you one of the reasons he is going to be reelected President is because he did not sit around waiting for a constitutional amendment to do something. He submitted a package of deficit reduction proposals to this body and we adopted it without one single Republican vote.

I inform my Republican friends who are all so enthusiastic about this amendment today, that deficit reduction package we adopted constitutes a reduction not of $500 billion, but $846 billion. So, my Republican friends, my question is this: Why not repeal it? You did not like it then. You are trying to kill the gas tax part of it now, which has to be the silliest thing I have ever heard. But I want to ask you, why not repeal it if it was that bad?

We lost two of the finest U.S. Senators ever to sit in this body because they voted for that package, and their opponents took advantage of it and said, ''He is a taxer and spender.'' They lost their seats for doing the most courageous thing any Senator could do. People sit in their seats today who are spineless, who did not have the courage to vote for it.

So I say to my Republican friends, repeal it and then tell us where are you going to find $846 billion, because that is what you have to find.

When Bill Clinton ran for President he made a promise to the American people and I thought it was fair. It was a political promise, of course. Any promise a politician makes is political. But he said: You elect me President and in the first 4 years I will reduce the deficit by 50 percent. We were looking at a $290-billion-to-$300-billion deficit that year, 1993, which turned out to be $264 billion, and which has been going down every year.

Because of that bill in 1993, the deficit this year is not going to be 50 percent of the projected $292 billion. The projection was that the deficit would be $292 billion in 1996. Current figures place the deficit at $125 billion, not a cut of 50 percent, a cut of almost 60 percent.

I can tell you, this fall, if I were President Clinton, I would keep a chart, about twice the size of these I am using, with me every minute of every day to show the American people why they should be dancing in the streets, because a few courageous Senators screwed up their nerve and did what they were supposed to do.

What else does this constitutional amendment require? Nothing, in the year 2002.

It gives the States 7 years to ratify it. We do not have to do anything for 7 years.

You know, I think if I were a Republican, I would probably be taking the same tact they are. I would be so embarrassed about a lack of courage, a lack of responsibility in refusing to vote for something responsible, to bring the deficit down when the chance finally emerged.

So, what is their solution? Well, I do not know what kind of a tax cut Senator DOLE will propose. I have heard figures up to $600, $700 billion. I do not know what it is going to be. But here is their method of balancing the budget: build a ballistic missile defense system which will cost American taxpayers $50 billion to $60 billion and deploy it by the year 2003.

''What kind of a system is that going to be?''

The Republicans respond, ''Don't know. Don't have any technology yet, but we can start spending the $50 billion.''

The people ask, ''Where's the money coming from without raising the deficit?''

The Republicans reply, ''Don't know. Find it somewhere.''

What else? The gas tax, repeal of that 4.3-cent gasoline tax we passed in 1993. It will accommodate the big sport utility vehicles and the vans and the big trucks. It will encourage people to drive more and further pollute the environment, as well as losing about $2 billion.

The people want to know, ''Where is that $2 billion coming from?''

Again, the Republican response is, ''Don't know.''

What else? Airline ticket tax. We conveniently let that lapse on December 31 of this year, and we have already lost about $3 billion this year on the airline ticket tax.

''Why haven't we reinstated it?''

''Don't know.''

What does it do? That loss of revenue raises the deficit by $3 billion.

What other proposals do the Republicans have for balancing the budget? Well, there is a $7 billion cut for small business. I can tell you, I yield to no one in my commitment to small business. I used to be a small businessman, and it was a struggle. I can tell you, they hurt me every time they raised the minimum wage. It did not hurt for very long. Back in those days, you had to do $250,000 a year in order to qualify,

and I was not doing that much business.

So what are the Republicans going to do here? They propose $7 billion in additional tax cuts for small business. It is tough for anyone to vote against that.

What else? Well, we are going to continue selling Federal lands that belong to the taxpayers for $2.50 or $5 an acre, beneath which lies billions and billions of dollars worth of gold; sell it to them for $2.50 or $5 an acre and not require them to pay the taxpayers 1 cent of royalty. This has been going on since 1872, and you cannot stop it. I know, because I have tried desperately for 7 years.

It is shameless and unbelievable. Republicans who do not have a mine within 500 miles of their States vote to defend this practice for the benefit of the biggest mining companies in America.

What else? Continue the shameless way we let our parks concessions. I urge my colleagues to listen to this story. Matsushita Electric Co. bought Universal. Universal, among other things, owned the Curry Co., which had the right to all the concessions in Yosemite, National Park. It is a beautiful, beautiful park. Everyone here has visited it.

As you know, since the memory of man runneth not, as we lawyers like to say, the people who own the parks concessions in Yellowstone, Yosemite, and Grand Canyon took in around $500 million to $600 million a year in revenue, and they returned about $18 million to the Government.

I say to my colleagues, when we go home and tell the chamber of commerce, ''Please reelect me, and if you do, I will treat your money just like it is my own,'' that we should consider this example. I want everyone in the U.S. Senate who would let a contract that produces for the person you contracted with $500 million to $600 million and you received $18 million to stand up. I want everyone in the U.S. Senate who would sell his land that had $11 billion worth of gold under it for $2.50 or $5 an acre and not receive a dime of royalty to stand up. I want all those Senators to stand up. You told the Chamber of Commerce you would treat their money and the public lands as if it were your own.

Finally, Matsushita bought Universal. There was a hue and cry in this country about a Japanese company owning the concessions at Yosemite. And $100 million a year, I say to my colleagues, is what that one produces. And so the Japanese said, ''Look, we don't need all this flack. We'll just return it to you.''

So the Parks Foundation said, ''Well, why don't we take it and we will relet the contract.''

So they took it and they relet the contract and the company they selected last year returned $20 million to the U.S. Treasury, more than all the others combined have been returning, because we negotiated a decent contract. But if you tried to do that on all the national parks, we have a half a dozen on this side and about 50 on that side who will squeal like a pig under a gate: ''Oh, you can't do this, you can't do that, that's jobs in my State.''

So we tried cutting taxes and balancing the budget in 1981, Mr. President. Do you know what we got out of it? We went from a $1 trillion debt to a $3 trillion debt in 8 years. It was hogwash in the beginning and it still is. You cannot do it. We did not do it. You cannot cut taxes massively like we did in 1981 and hope to balance the budget. So what are we paying for? If we did not have to pay interest just on the debt that was accumulated in the 8 years of Ronald Reagan's Presidency—let me repeat this. I ask for 1 additional minute.

Mr. DORGAN. I yield the Senator 1 additional minute.

Mr. BUMPERS. If we did not have to pay interest on just the increased deficit that was accumulated when Ronald Reagan was President, we would not be standing here debating today because we would have a nice healthy surplus.

Mr. HOLLINGS. Amen.

Mr. BUMPERS. Mr. President, ''thems the facts,'' and that is what brings us here today: using a constitutional amendment as a figleaf, a political ploy to keep from making the hard decisions just as they did in 1993, just as they will in 1996.

Finally, I am not voting to tinker with what James Madison did 207 years ago that has made us the strongest, longest living democracy in the world. I am not voting for something that nobody in this body can explain how it will work. It is nothing but utter chaos.

I plead with my colleagues, don't snap on this one. I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from North Dakota controls 32 minutes.

Mr. DORGAN. Mr. President, the Senator from Arkansas has spoken eloquently about this issue. I will try to add some to the debate.

I began the discussion talking about the Constitution of the United States, the constitutional convention that produced the framework for our democracy.

I will discuss what this attempt is here on the floor of the Senate. Is it an attempt to balance the budget, as is being alleged, or it is an attempt to simply change the Constitution? The reason I ask the question is there are plenty of people here in the Senate who seem to want to support every single proposed constitutional amendment that is offered. We have had thousands of proposed changes to this Constitution. We have changed it very, very rarely, and we have made it difficult to change.

One reason for doing that, as the Senator from Arkansas suggests, is it is hard to see people walking in this Chamber who resemble in philosophy and in spirit Thomas Jefferson, or James Madison, or George Mason, or George Washington. So we have made it difficult to change this document.

This country has taken on too much debt. That is clear. It is not the case, as some stand up daily in the Senate and say, ''Well, the American people must pay their bills every day. They don't have any debt.'' That is not the case. This country has $21 trillion in debt, $21 trillion in debt. There is just over $5 trillion is U.S. Government debt, over $4 trillion of consumer debt, and $4 trillion-plus, nearly $5 trillion of corporate debt, business debt. It totals $21 trillion in debt: mortgages for houses, lines of credit for businesses, Government debt, bonds, Federal debt. There is too much Federal debt. That is not being debated today.

The Senator from Arkansas pointed out that in 1993 we had a vote here in this Chamber about debt and deficits. The Senator asked the question: Who is willing to stand up and cast a hard vote, a really tough vote to reduce the Federal deficit? Who is willing to cast an honest vote, a vote that says to the constituents, ''I'm standing here and I'm willing to cast a vote to cut Federal spending now; I'm willing to cast a vote to increase some taxes now because that must be done in order to reduce the Federal deficit?''

It was not popular. The political and popular thing would have been to say, ''Well, if this is heavy lifting, if this is about really reducing the deficit, if this is about really increasing some taxes and really cutting some spending, count me out. I don't want to be part of anything that requires some political risk. Just count me out.''

But there were a lot of people in this Chamber who said, ''Count me in. Let me stand up for that. This isn't about rhetoric or changing the Constitution. This is about reducing the Federal deficit.''

Do you know that we passed that bill by one vote, as the Senator from Arkansas said? We did not get one vote from the other side of aisle, not even one by accident. You would think occasionally someone would make a mistake in this Chamber. We did not get one accidental vote in this Chamber. I understand that as well. We had the majority and we had the ability and the responsibility to advance the legislation.

I said it before, and I will say it again, I am pleased I voted for that. It has substantially reduced the deficit. It is not easy to do. It is not popular to do. But it is the right thing to do.

The job is far from over. We have to continue the effort.

But I find it fascinating that folks come to this Chamber day after day, hold up the Constitution, and point their fingers across the aisle and say, ''We demand you support us to amend

the U.S. Constitution to require a balanced budget, and if you don't, you don't support balanced budgets.'' I find it fascinating that those same people come to the Chamber in the very next breath and say, ''By the way, we want to balance the budget, and we also want to build a new star wars program for $60 billion.'' The question is, how are you going to pay for it? They say, ''We don't know. We want to balance the budget, but we want to build star wars.''

The majority leader was asked recently at a press conference when they said they wanted to build star wars—the question from the press was, ''Senator, how much do you think this is going to cost? And where is that money going to come from?''

The answer from the majority leader of the Senate was, ''Well, I'll leave that up to the experts.'' Translated: ''I don't know. I don't care.'' Defend America, build a new star wars program. CBO says it will cost up to $60 billion just to build it, let alone operate it; $60 billion just to build it, from the same people who come here and say they want to balance the budget. You ask, ''What is this going to cost?'' They say, ''I don't know. We'll leave it up to somebody else.''

Can you imagine them shopping for a car. They look in a showroom and say, ''I want that yellow one.'' Someone says, ''Aren't you going to ask how much it costs?'' They say, ''I don't care. Leave it to the experts.'' They do not care about how much it costs. The same people that demand of us that we accept their prescription for the U.S. constitution because they say they want a balanced budget, those same people trot on the floor of the U.S. Senate with schemes to increase spending by up to $60 billion for a star wars program, schemes to enact all sorts of tax breaks, most of which will benefit the upper income people in this country, and then they tell us, ''Believe us. We really want a balanced budget.'' Nonsense.

What they want to do is amend the Constitution. If they wanted a balanced budget, they have had plenty of opportunities. They could have voted with us in 1993 in a proposal that honestly does the things that balance the budget. It will not be the Constitution that balances the budget. It will be the acts of men and women in the Senate to deal with spending and revenue issues that will balance the budget.

I will address a couple of issues that have been raised. Some say, ''Well, this is the same amendment that has been voted on before. Some of you voted for it before and did not vote for it this time. What on Earth is going on?''

There is a pretty fundamental difference between this and what was voted on before. We have voted on constitutional amendments before in the Senate. I have voted for a constitutional amendment. I voted against a constitutional amendment, as has the Senator from South Carolina. I voted for the constitutional amendment that says, let us balance the budget honestly and not misuse the Social Security trust funds to do it. I have voted against the constitutional amendment to balance the budget that would take into the Social Security trust funds a giant scoop and take the money and shovel it over here into the operating budget of the United States and misuse the money.

How would you feel about a business, any business in your town or any town, that says, ''I'll tell you what. You're asking me about my financial performance this year. I'll tell you what. It's actually pretty good. I had to take my employees' pension money to bring it over on to the operating statement to make it income. I made it pretty good because I took my employees' pension fund. All in all, this year did I do pretty well? Yeah, I did, with the employees' pension funds being used.''

Show me a businessperson who stands up and says that, and I will show you someone who is doing 2 years of hard tennis in a minimum security prison in this country. You cannot do that in this country. You cannot misuse pension funds.

Interesting. I was on a television program last night that I shall not name: ''Crossfire.'' Mr. Novak asked the first question about the issue of the Social Security funds. And he says, as others have said, ''Oh, that's a bunch of nonsense. What a hoax.'' Let us talk about the hoax.

Lots of folks out there today are working, and working hard. They got up early, they went to work, they worked all day, and they finished. Maybe at the end of the day today they got a paycheck. They looked at that paycheck, and it shows that some money was taken out of that paycheck to put in the Social Security trust fund—it is called FICA taxes—put in the Social Security trust fund. The promise of the Federal Government is very simple—this is not rocket science—the promise of the Federal Government is, ''We'll take the money from your paycheck, and we promise you it goes into a trust fund—ergo the word ''trust'' is used—and the trust fund will be used when we need it, when the baby-boom generation retires.''

I said yesterday that my colleagues will remember what the baby boomers are—the war babies. The war babies were the largest baby crop in American history. I am told that when folks came back from the Second World War, there was an enormous outpouring of love and affection. As a result, we had the largest baby crop in America.

When that largest baby crop in America retires after the turn of the century, we will have a maximum strain on the Social Security system. One of the sober things that was done in the 1980's in this Congress was to say, we will accrue more money in the Social Security trust funds each and every year in order to save for the time we will need it when the war babies retire.

The result is this year $69 billion will come in in excess of what is needed this year in the Social Security system. That is forced national savings, to be available when the war babies hit the retirement rolls.

Regrettably, the majority party says in their budgeting scheme—and I should say also it has happened under Democrats; and it is wrong under either party—that we want to use that money and use it as an offset to show it as revenue in order to balance the Federal budget. We are not going to have the trust fund; we are going to put it over here under operating revenues and use it to balance the Federal budget.

Now, it is interesting. Senator HOLLINGS changed the law and he prohibited them from actually putting in writing what they are doing. So the result is this. I have here the budget that was passed by the majority party that they claim was a balanced budget. It, of course, is not in balance.

Here is a page from their budget resolution that they wrote—we did not write, they wrote. It says ''Deficits,'' in the year 2002: $108 billion. Why would they put a bill on our desk that says ''Deficits,'' $108 billion in the year 2002, and stand up and crow that they balanced the budget? Why is that the case? Because they intend to use $108 billion in trust fund money, almost all from the Social Security trust fund, in the year 2002 to show this as a zero balance.

The Senator from South Carolina prevents them from doing that by law, so they cannot really put it in writing. All they can do is intend to do it. You misuse the money and put in writing that there is still a $108 billion deficit. I do not know how that goes over in your town, but I come from a town of 300 people and they tend to look at the fine print and they tend to understand what is happening. You cannot misuse the Social Security trust fund like that and claim you balance the budget by taking money out of trust funds. That is not the right thing to do.

I have said that there have been three stages of denial on the floor of the Senate about this issue. I am still trying to figure out who claims to be right. Three Senators—and I will not name them—three separate Senators have stood up on different occasions and said the following three things. First, there is no Social Security trust fund. It does not exist. Second, there is a Social Security trust fund, and we are not misusing it. We promise. And third, there is a Social Security trust fund. We are misusing it. We promise to stop by the year 2008. Those are the three stages of denial on the Social Security issue.

I think the three of them ought to have a meeting with the rest of their caucus and figure out, which is it? Is there no trust fund? Are you not misusing it? Are you misusing it and promise to stop later?

Of course, we all understand the real answer. I was part of a group in 1983 that constructed the 1983 reform package for Social Security. It was one of the sober things we did in that decade. We decided to create savings in the Social Security system to be available when we need them at the turn of the century. Well, we will not have saved anything if we stay on this road. And we certainly will not have saved anything if we allow the majority party to convince enough people in the Senate to enshrine in the Constitution a requirement that the Social Security funds be used to balance the budget.

Now, we have had, essentially, the same vote on similar documents on two different years. In 1994 Senator SIMON, whom I admire greatly, who has been a proponent of this amendment, said on the floor of the Senate, ''We guarantee we are not going to use the Social Security trust funds.''

I said to him that I happen to know that the constitutional amendment that you originally offered included a provision to prevent the use of Social Security trust funds. I said, ''Is that right?'' And he said yes. That was his original position, but he changed it because it had to be bipartisan and the other side would not accept that provision. He said: We will guarantee we will provide a statutory remedy to prevent the Social Security trust funds from being used. We had a vote. I thought that was fine. We will have a guarantee.

The next year, in 1995, a similar resolution comes up, not identical, but similar. Instead of providing a guarantee that they will not use the Social Security trust funds, we had a vote that guaranteed they would use the Social Security trust funds and would enshrine that in the U.S. Constitution.

What a charade. I would not vote for that in 100 years. What a total charade. Then people say, ''Well, it was the same.'' It was not the same. The difference between promising not to use it and guaranteeing you will use it is a difference of about a $600 billion misuse of Social Security trust funds.

I want to finish these comments by talking just for a moment about something Abraham Lincoln said. When they were dedicating the battlefield cemetery at Gettysburg in November 1863, there were going to be two speakers. Of the two speakers they invited, one was Dr. Edward Everett, known to be one of the greatest orators of his day. He had been president of Harvard University. He had been a U.S. Senator, had been a Secretary of State, and was known to be one of the greatest orators of his time. He was invited to speak at this dedication of this battlefield cemetery. Of course, Abraham Lincoln was invited to speak at this battlefield cemetery dedication too.

Dr. Edward Everett was introduced and he stood up, and the history book records he spoke 2½ hours. After 2½ hours he sat down. Then the President of the United States was recognized, and he spoke for 2 minutes. After he sat down and was on his way back to Washington, he wondered to his aide whether what he said would be long remembered. He felt Dr. Edward Everett, one of the great orators of his time, had spoken at great length for 2½ hours, and he had gotten up and given just a couple of minutes.

Of course, the result of that day is that Lincoln's address, the Gettysburg Address, as brief as it was, has become perhaps the best known and most admired statement given in the history of our Nation. At the end of his statement, as brief as it was, was the following:

> The world will little note nor long remember what we say here, but it can never forget what they did here. It is for us, the living, rather to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced. It is rather for us to be dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion; that we here highly resolve that all these dead will not have died in vain; that this nation, under God, shall have a new birth of freedom; and that government of the people, by the people, and for the people, shall not perish from the earth.

This is truly government of, by, and for the people. This document, a document we debate today, a document that some propose we change now, this document provides the framework by which self-government works in America. This is not an idle debate. This is not a vote anyone dare take lightly.

I stand with my colleagues today to say I stand second to no one in this country who believes that we need to set this country back on course, fix the things that are wrong, celebrate the things that are right, and believe in America's promise. But I will not be one of those who blithely follow the windsock, who need to know the direction of yesterday's poll or today's poll or tomorrow's poll to figure out what I shall do next in proposing changing America's basic document, the U.S. Constitution.

Mr. BUMPERS. Will the Senator yield?

Mr. DORGAN. I am happy to yield to the Senator.

Mr. BUMPERS. Mr. President, I was particularly taken by the observation of the Senator from North Dakota about the Gettysburg Address, because Dr. Edward Everett was considered the greatest orator in America. After he spoke for 2, 2½ hours on a very hot, steamy day, Lincoln found it very difficult to stand up and follow a man of such oratorical skills and national renown. On the train on the way back to Washington, he thought that he had been an abominable failure. He could not imagine people taking his words very seriously after that oration. Of course, the rest is history. But I just want to point out to the Senator from North Dakota that Garry Wills has written a great book, just on the Gettysburg Address, really more than I want to know about the Gettysburg Address, but it is a fabulous book which goes into great detail about the events of that day.

I would like to share one final observation—and I know the Senator from North Dakota is as well acquainted with these figures as I am—when you stop to consider that there have been 83 or 84 resolutions to amend the Constitution introduced in the U.S. Congress since January 1995, 83 proposals by Members of this Congress to tinker with that sacred document. There have been 2,300 proposed constitutional amendments since I came to the Senate. They were like snowflakes falling when I began serving during the days of busing and the segregation fight was still raging. And since the Nation adopted the Constitution, 17,000 have been proposed. I say that to my distinguished colleague to simply point out the contempt with which so many of my colleagues hold that sacred document.

Well, I have voted for one constitutional amendment since I came to the Senate 22 years ago. I regret that. But I can tell you, my record will be intact when the roll is called on this amendment.

I yield the floor.

Mr. DORGAN. Mr. President, I yield 10 minutes to the Senator from California, Senator FEINSTEIN.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. I thank the Senator from North Dakota and I thank the Chair.

Mr. President, on May 23—13 days ago—there were three votes on budgets. There was one for the Republican budget, which received a party vote; there was one for the President's budget, which received a party vote; and there was one more on a budget put forward by the centrist coalition.

Now, one of the things that became very clear in budget balancing in this body is that there are different points of view on both sides of the aisle. Republicans do not tend to support a Democratic budget, and Democrats do not tend to support a Republican budget. This was borne out.

Well, for some 6 months, under the leadership of Senator CHAFEE and Senator BREAUX, 11 Republicans and 11 Democrats sat down around a table and said, ''look, we know we have to balance the budget. How are we going to do it, and what does each party need to do?''

Believe it or not, we produced a document that came five votes short of being adopted by this body. With five more votes, we would not have needed a constitutional amendment to balance the budget, and we would have balanced the budget within 7 years. I believe it is still possible to do succeed.

I support a constitutional amendment to balance the budget. I even sponsored one, with a number of my colleagues, last year. But, in my view, if Congress does not have the will to

actually balance the budget, it may, at some point, need castor oil. And that is all this amendment is. I heard people on the floor this morning make the statement that now is the time to bite the bullet. Now is the time to make the hard choices.

Does this constitutional amendment restructure Medicare? No.

Does it restructure Medicaid? No.

Does it bring on welfare reform? No.

Does it provide for ballistic missile defense? No.

Does it have the tax increases to pay for one? No.

Does it have a tax cut in it, which so many want? No.

Does it solve any problem at all? No, it does not.

It does one thing. It says that the people of three-quarters of the State legislatures will vote and decide whether there will be a constitutional amendment to balance the budget by the year 2003.

The bill before us today is the same bill rejected by this body last year. I voted against it then because I do not believe it is the right amendment for this country, and I will vote against it today for these same reasons.

Let me give you a couple of these reasons. A constitutional amendment cannot possibly be ratified right now in time to do any good. It would take the 3-year period that I described. The Medicare trustees announced yesterday the Medicare trust fund will actually reach insolvency in 2001—a year earlier than originally projected. This is a loud and clear message—or should be—that we do not have the luxury of waiting any longer to balance the budget.

Additionally, the amendment before us says that, for all time, the Social Security trust fund will be stolen to balance the budget. This body would send to the States a constitutional amendment that would utilize the Social Security trust fund, for all time, to balance the budget.

I think it is painfully clear to all of us that there is no way to achieve the goal of balancing the budget in 7 years without using, to some degree, funds that really should, by law, be set aside for Social Security. Our earlier speakers, including Senator DORGAN, Senator HOLLINGS, and others know it as well as anyone in this body. Every plan put forward to balance the budget this year includes Social Security funds to some degree or another.

However, today we are considering a constitutional amendment. The amendment would permanently use Social Security trust funds to balance the budget. It allows absolutely no flexibility to protect the solvency of the trust fund for future generations who will depend on it. That is not right because, all during this period, Americans will be working and paying payroll taxes for their Social Security retirement. Workers will pay their 6.2-percent FICA tax to contribute to their retirement and employers will match that 6.2 percent. People have a right to know that this trust fund will be there when they retire.

This amendment, by locking into the Constitution the requirement that Social Security funds are used to balance the Federal budget, in perpetuity, abrogates that contract with American taxpayers.

Under this amendment, Social Security funds could wind up being used to pay for general governmental programs, just as Senator DORGAN spelled out. It is like taking the pension fund, if you operate a company, and putting it on your operating budget. You just would not do it.

Furthermore, I mentioned earlier that this constitutional amendment would have to pass muster with three-fourths of the States. If you think the debate in Congress has been difficult on this issue for the last few years, just wait until the voters of 50 States, or the legislatures of 50 States, start debating the permanent inclusion of the Social Security trust funds in the Federal budget under this balanced budget amendment. I venture to say that the likelihood of its ratification is dim, at best.

Well, what is the upshot of all of this? The upshot is that we have the vehicle to balance the budget, without altering the Constitution, and we should just do it.

I want to read this list. This is the first time I have ever seen this in the time I have been here. Forty-six Members—22 Republicans and 24 Democrats—voted for a centrist budget. The Republican supporters are: BENNETT, BROWN, CAMPBELL, CHAFEE, COATS, COCHRAN, COHEN, D'AMATO, DEWINE, FAIRCLOTH, FRIST, GORTON, GREGG, HATCH, HATFIELD, JEFFORDS, KASSEBAUM, LUGAR, SANTORUM, SIMPSON, SNOWE, and SPECTER.

These 24 Democrats voted with the 22 Republicans: AKAKA, BINGAMAN, BOXER, BRADLEY, BREAUX, BRYAN, CONRAD, FEINSTEIN, GRAHAM, INOUYE, JOHNSTON, KERREY, KOHL, LEAHY, LEVIN, LIEBERMAN, MOYNIHAN, MURRAY, NUNN, PELL, PRYOR, REID, ROBB, and SIMON.

With the centrist budget amendment, we were five votes short of achieving the tax cut Republicans wanted, and minimizing the cuts in vital programs that Democrats wanted. We came within five votes of achieving significant savings for a wide variety of Federal program. In Medicare, we made enough changes to assure the solvency of the trust fund until 2007, and made some necessary changes in part B, as well. We took steps to meet the needs of Medicaid, restructuring the program, and provide welfare reform while retaining a Federal safety net. We also adopted a balanced tax cut, for individuals and businesses, including education, capital gains reform, research and development tax credits—all put together in a package that both parties could buy into.

I was really very disappointed that there were not five other Members of this body who could stand up and we could get the job done.

I do not believe that a constitutional amendment, particularly one that includes the Social Security trust fund, is ever realistically going to be ratified by three-quarters of the States. There are enough people in this Nation who pay those FICA taxes who do not want to see their FICA taxes used for anything other than their retirement.

Therefore, I respectfully submit to this body that the centrist coalition, which balances the budget in 7 years, uses the Congressional Budget Office numbers, does not make unnecessary and precipitously deep cuts in important programs, represents the Nation's best interests and is really the way to go.

I thank the Chair. I yield the floor.

Mr. DORGAN. Mr. President, how much time is available?

The PRESIDING OFFICER. The Senator has one-half minute remaining.

Mr. DORGAN. How much time is remaining to the Senator from South Carolina?

The PRESIDING OFFICER. Forty-seven minutes.

Mr. DORGAN. I yield whatever time I have to the Senator from Oregon, and I believe the Senator from South Carolina would like to yield as well.

Mr. HOLLINGS. I yield 15 minutes to the Senator from Oregon.

Mr. WYDEN. Mr. President, I thank my colleagues from South Carolina and North Dakota.

Mr. President, colleagues, as of now everyone knows what is going to happen when the Senate votes on this measure. The script on this issue has been published. It is played, and it is almost like yesterday's news. There probably is more likelihood that Michael Jordan is not going to show up for the playoffs than there is going to be a surprise on this issue.

I am here today to say that it does not have to be this way, my colleagues. I have introduced along with Senator HOLLINGS, Senator DORGAN, and Senator DASCHLE a constitutional amendment to balance the budget that is identical to the measure introduced by Senator DOLE, save for one change. Our measure simply says that you cannot go out and raid the Social Security trust fund. You cannot go out and take $600 billion, money that belongs to working people, to young people, to seniors, and use it to balance the budget.

I call our effort—and it has really been led by Senator HOLLINGS for all these years. I think that we are the straight bookkeeping crowd. We are the crowd that wants some truth in budgeting. We are the folks who are saying it is time to end this accounting fiction which has been perpetrated, as Senator HOLLINGS has said, in direct contravention of section 13301 of the Budget Act.

The Budget Act is clear. There is no ambiguity about it. It says that you cannot use Social Security funds to mask the overall Federal deficit. You cannot do it. Both political parties unfortunately have done it.

So what we want to do in our straight bookkeeping kind of effort is to try to make sure in the interest of both the cause of balancing the budget and protecting the Social Security program that we do what the law requires, and we do what is in the public interest.

I happen to think that, if you do it as we propose, what is going to happen is you are going to have to make tough choices on both the budget and Social Security more quickly.

I have come from a round of town meetings—and I am sure all of our colleagues have—at home. One of the things I heard consistently is that lots of folks feel that the Congress has put off the tough choices—put them off until after the election, put them off for years. If you do what we propose, you bet you have to make some tough choices, and you have to make them earlier. Maybe we are going to have to say no to some pork barrel spending programs.

I believe that if you wall off the Social Security program, as we propose, that you do not let the surplus be used for balancing the budget, and you are going to see when the Social Security stands, as it should, separate from the Federal budget that we have to make some changes there too. We have a Social Security advisory commission that is going to report fairly shortly. They have a number of recommendations. They are going to be tough for people to swallow. But let me say that at a time when more young people think that they are going to see Elvis than think they are going to get a Social Security check that we are going to have to make some tough choices with respect to Social Security.

So with our proposal—by making sure that the overall deficit is tackled responsibly and tackled more quickly—by walling off the Social Security program, as the Congress intended in the Budget Act, we believe that the country will get the discipline and tough choices that are needed, and get them earlier.

I want to announce also this afternoon that it is my intention, after further consultation with the minority leader, Senator DASCHLE, and Senator DORGAN, to ask unanimous consent after the Senate has voted on the measure of the majority leader—it is my desire and my intention—to ask unanimous consent that our measure, a constitutional amendment to balance the budget without raiding Social Security, be considered immediately after the vote on the measure offered by the majority leader.

I think it is time to talk about a constitutional amendment to balance the budget that has some legs. I think that we have had enough of this exercise in failure. The script has been written. We do not have to conclude this debate with a debate that fails. We can conclude it in a manner that will bring us real truth in budgeting, will ensure that the books are kept, and will allow us to have a constitutional amendment to balance the budget.

So let me be clear on this. I and those that support this measure are willing to write into law that there would be a constitutional amendment to balance the budget. This is not a statute. This is a constitutional amendment to balance the budget. And it is identical to the measure offered by the majority leader save for one respect.

It is my intent to ask unanimous consent to have that measure considered immediately after the vote on this measure offered by the majority leader. I hope that measure will be considered. I believe that, if it is considered, we will get a minimum of 70 votes on that particular measure.

My source for that appraisal is that on February 10, 1995—Senator HOLLINGS was here, I was not—but on February 10, 1995, on a measure that in effect recommitted a constitutional amendment to balance the budget to committee to do exactly what Senator HOLLINGS and I propose now—that particular measure got more than 80 votes.

I would like to conclude my remarks in really a bipartisan kind of fashion by picking up on what the majority leader said early this week.

The majority leader said early this week, ''If the President wants a balanced budget, we will have a balanced budget.'' I am here to say that, if the majority leader wants a constitutional amendment to balance the budget, we will have a constitutional amendment to balance the budget. It is a measure that will get a minimum of 70 votes on this floor. It is a measure that will write into law a specific constitutional amendment to bring about the discipline the American people want, and it will be bipartisan. But it also will be one that will keep faith with our working people and with our seniors who are paying those whopper payroll taxes—15.3 percent between the worker and the employer. Millions of Americans pay more in payroll taxes than they pay in income taxes. They want a balanced budget, but they do not think we ought to do it by raiding the Social Security Program. The measure we hope to get a recorded vote on after the measure proposed by the majority leader would give us a chance to meet the desires of the American people for a balanced budget but one that also ensures that their Social Security is protected.

I thank my good friend from South Carolina for yielding me this time.

Mr. President, I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, let me thank the distinguished Senator from Oregon. First, I will surprise him by thanking him for the telecommunications bill. I welcome him to the Senate and thank him for introducing a constitutional amendment for a balanced budget that does not move the Government's deficit over to the Social Security trust fund.

But more particularly, with respect to the telecommunications bill, I wish to thank him for his work. We passed that bill by an overwhelming majority here in the House and in the Senate. It came out of the conference committee and we reconciled the differences—which was a very difficult job. And, just before Christmas the distinguished Vice President appeared on NBC News, where he was being interviewed, and proclaimed, ''We now have the information superhighway, and I got everything I want.''

Well, that really put the Speaker of the House into a tizzy, and we, the conferees, were told that our telecommunications bill was dead. Between that time, some 10 days before Christmas, and the first week of February, Congressman BLILEY and I had to hold the fort, but we worked in a bipartisan fashion. We did not change a single word.

What really occurred is that our colleague, Senator WYDEN, won the special election out in Oregon, causing the Speaker of the House to say, ''Heavens, we have to show we can do something.'' I said we have an overwhelming majority ready for the telecommunications bill in the House and in the Senate, and that is how we got it.

So I think it ought to be stated for the record that the Senator from Oregon was instrumental in ensuring passage of the telecommunications bill. And perhaps tomorrow if the Republicans really want a balanced budget amendment to the Constitution, we will obtain one. All that is required is a specific language in section 7 of the resolution excluding Social Security funds from deficit calculations. The present language includes Social Security funds. So there is no argument about the form, the present language already has exceptions in section 7: ''Total receipts shall include all receipts of the U.S. Government except those derived from borrowing.''

That has been interpreted as borrowing from the public. But how about borrowing from yourself, borrowing from the Social Security trust fund. All they have to do is change ''from borrowing'' to ''from the public and Social Security trust fund.'' That is all we have to add. I and several Senators on this side of the aisle formally informed the distinguished majority leader in a letter last year that we would support a balanced budget amendment that protected Social Security. I waited all year long for a joint resolution that I could amend. We in the Senate are used to putting an amendment on anything so you can get a vote. But oh, no. A constitutional amendment can only be offered as an amendment to another joint resolution. So, I waited and then the flag burning joint resolution came up in December.

And so I said I have an amendment. In fact, I had two. I had one constitutional amendment that would have allowed the Congress of the United States to control expenditures in Federal elections. It would have overturned the flawed decision of Buckley versus Valeo.

My other amendment was a real balanced budget amendment that protected Social Security, identical to the balanced budget amendment that the Senator from Oregon will ask unanimous consent to consider tomorrow. I will be in there supporting the Senator, and I hope we can work it out. I hope it is not true that they want to pass up this opportunity, because it is right here.

I am tired of the media saying the balanced budget amendment failed by one vote, when they know differently. That is technical reporting, because the truth of the matter is that they could easily have picked up at least five votes if they had agreed to add language excluding Social Security.

So I will be working with the Senator, and I thank the distinguished Senator from Oregon on his leadership. I thank publicly, of course, the Senator from Arkansas, for coming to the floor. I also want to thank Senator DORGAN of North Dakota. He understands all these particular problems and issues, and he is the most eloquent, I know, in the Senate on all of them. He gives categorical leadership and very commonsense observations, and you can follow his rationale. I happen to agree with most of it all the time. The Senator from California, Senator FEINSTEIN, has been a leader in trying to do something about a balanced budget.

But let me go, Mr. President, to statements made earlier before I forget them. The distinguished Senator from Texas, Senator HUTCHISON, got right to the point saying, why don't we do something. She kept talking about generations in the future and everything else like that.

We tried to do something, not pass it off in a 7-year passing of the buck. This constitutional amendment is really putting off the tough decisions. It is not biting the bullet or making any hard decisions. Heck, you can say anything in rhetoric, in language. But should know from hard experience that actions speak louder than words.

I came in as a Governor of a State, where the budget I inherited was totally in the red. We had in the constitution of 1895, still do in the constitution of the State of South Carolina in 1895, ''thou budget shall be balanced.'' But that didn't mean anything. There a number of accounting gimmicks that they employ like borrowing and moving trust funds.

And so at this particular point, Mr. President, I want to ask unanimous consent to list the 48 States with a balanced budget requirement, the type of requirement, whether it is constitutional or statutory. They are all supposed to be balanced at the end of year. The chart lists the balances in the general funds and in the transfer funds. So the States, even with the constitutional requirement, do not a balanced budget give.

I can tell you here and now, if I say it once—I have the time, fortunately—I say it again: A constitutional amendment requiring a balanced budget does not a balanced budget give. They play the gamesmanship.

I ask unanimous consent to have this printed in the RECORD, so we will have those documents in there to show the game that the States are playing.

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

STATES WITH BALANCED BUDGET REQUIREMENTS

State	Type of requirement	Balanced budget for FY 1995	Ending general fund balance (in millions)	Transfer fund (in millions)
Alabama	Constitutional	Y	54	0
Alaska	Statutory	Y	0	2,136
Arizona	Constitutional	Y	270	223
Arkansas	Statutory	Y	0	0
California	Constitutional	Y	683	313
Colorado	Constitutional	Y	484	484
Connecticut	Constitutional	Y	81	0
Delaware	Constitutional	Y	374	79.1
Florida	Constitutional	Y	129	282
Georgia	Constitutional	Y	224	288
Hawaii	Constitutional	Y	90	0
Idaho	Constitutional	Y	3	33
Illinois	Constitutional	Y	331	0
Indiana	Statutory	Y	679	419
Iowa	Statutory	Y	292	116
Kansas	Constitutional	Y	357	5
Kentucky	Constitutional	Y	261	100
Louisiana	Constitutional	Y	146	0
Maine	Statutory	Y	4	10
Maryland	Constitutional	Y	133	286
Massachusetts	Constitutional	Y	179	425
Michigan	Constitutional	Y	0	1,003
Minnesota	Statutory	Y	1,057	500
Mississippi	Statutory	Y	115	268
Missouri	Constitutional	Y	473	24
Montana	Constitutional	Y	47	NA
Nebraska	Statutory	Y	176	21
Nevada	Constitutional	Y	102	100
New Hampshire	Statutory	Y	0	24
New Jersey	Constitutional	Y	952	263.3
New Mexico	Statutory	Y	0	59
New York	Constitutional	Y	158	157
North Carolina	Constitutional	Y	892	423.6
North Dakota	Statutory	Y	31	0
Ohio	Constitutional	Y	70	828
Oklahoma	Constitutional	Y	195	45
Oregon	Constitutional	Y	496	39
Pennsylvania	Constitutional	Y	429	66
Rhode Island	Statutory	Y	5	45
South Carolina	Constitutional	Y	589	164.8
South Dakota	Constitutional	Y	0	11
Tennessee	Constitutional	Y	138	101
Texas	Constitutional	Y	1,852	9
Utah	Constitutional	Y	61	66
Virginia	Constitutional	Y	17	80
Washington	Statutory	Y	559	0
West Virginia	Constitutional	Y	64	64
Wisconsin	Constitutional	Y	127	78.2

Notes:
1. Vermont has no balanced budget requirement and reported a $15 million deficit.
2. Wyoming has no balanced budget requirement and reported a $26 million surplus.
3. 35 states have constitutional requirements; 13 States have statutory requirements.

Mr. HOLLINGS. Senator COATS of Indiana said the amendment will enforce the discipline, force us to meet our responsibilities. Of course, that is not the case at all. On the contrary, I have been trying to do that. I tried freezing, I say to the Senator. He is nice to stay around so I have someone to talk to. Usually they just go ahead somewhere else. At least I can talk to C-Span. And now I see the distinguished Senator from North Dakota.

I want to read an article. I will not read the whole article, I will just read from this, referring to ''Ace in the Hole'' in the New Yorker, in the June 10 issue that has just come out. This is an article, ''Ace in the Hole,'' by John Cassidy. I commend it to my colleagues for their reading.

Despite some suggestions to the contrary—notably by the Heritage Foundation, a conservative think tank—this year cannot be compared with 1992, let alone 1980 or 1932. In the first quarter of 1996, inflation-adjusted growth in national output, which is the broadest index of economic performance, 2.3 per cent on an annualized basis; over the full course of the Clinton Administration, such growth has averaged around 2.5 per cent a year. This record is about average for the post-1973 era but well above the growth rate of 1.6 percent eked out during the Bush Presidency. A number of other measures also suggest that the economy is doing significantly better than it was four years ago: two of the most widely followed are the ''misery index,'' which is the rate of inflation added to the rate of unemployment, and the size of the federal budget deficit.

At the moment, the unemployment rate is 5.4 per cent, and the inflation rate is 2.9 per cent. Added together, these numbers produce a misery index of 8.3, which is an extremely low number. The last year it was lower was 1968, when the unemployment rate was 3.6 per cent and the inflation rate averaged 4.2 per cent. For much of the nineteen-seventies and eighties, the misery index well into double digits. As recently as 1992, it stood at 10.4.

Perhaps the most important, and least heralded, achievement of the Clinton Administration is the improvement it has wrought in the national finances. According to the Congressional Budget Office, the federal budget deficit for the 1996 fiscal year, which began last October, will be about $145 billion. This is a large number, but it is only half the size of the deficit that the federal government recorded in 1992, which was $290 billion. And these raw numbers don't tell the full story. In ranking budget deficits, economists usually look at them in relation to the size of the economy. Measured in this way, the federal deficit this year will be about 1.9 per cent of the gross domestic product, according to the C.B.O. This figure is down from 4.9 per cent in 1992; indeed, it is the lowest such figure recorded since 1979, the year before Ronald Reagan was elected, when the budget deficit was just 1.7 percent of G.D.P.

That takes us to our distinguished friend, Senator Muskie, who was chairman. We had a Democratic House and Senate. Senator Muskie was chairman of our Budget Committee, and I was right in there behind him. I took over in 1980. So we were working and had more or less succeeded, under President Carter, in reducing the deficit from what we had inherited from President Ford. However, in came President Reagan with Reaganomics and the fiscal disaster that we are now experiencing.

I tried, during the early 1980's, what they called the Fritz freeze. They gave it a name because I was so intent. I said every Governor would come in and he would say let us just take spending the way it is now and let us just take this year's budget for next year. There would be no cuts, there would be no increases. That way we would save $50 billion at the Federal level.

We tried the freeze. We tried to hold the line. We could not get it done. I tried with Gramm-Rudman-Hollings.

And then I came with a value-added tax in 1987. There is no question that I have been trying to head off annual deficits with about $180 billion in revenues from a 5 percent VAT.

I went to Darman in 1989, after we could not get it past the Budget Committee in 1987. In 1989, when President Bush took office, I met with Dick Darman. I had been a close friend of his father's, Mr. Morton Darman. We had a good, heart-to-heart talk.

I said, ''By 1992, if President Bush doesn't get on top of this monster, it is growing so, he is going to need the Secret Service.'' I said that in a jocular fashion, but politically that is what happened to him. ''It's the Economy, Stupid.'' I will put in the chart. There have been intermittent figures, but the real deficit then was $403.6 billion. That is without using those trust funds, $403. So we were up, up and away.

I got a nice note from the President, President Bush, that he just did not think it was timely and he wanted to get himself more stabilized in office.

Again, when President Clinton took office, I went. I will never forget the conference that we had. When I suggested a VAT for the deficit and the debt, President Clinton said, ''I got a call last night from Lane Kirkland. The AFL–CIO has its annual meeting at Bal Harbour, in Florida. He said that he would go along with a VAT for the deficit and the debt.'' And I said, ''Heavens above, Mr. President, that's who opposed me.''

I came before the Finance Committee and testified for a value-added tax. I had the experts there and everything else to answer all the econometric issues and questions. It was the AFL that said, ''Wait a minute, this is regressive, regressive, a heavy burden, and everything else.'' Of course, every industrialized country has a value-added tax. Our competition in Europe has a VAT. You cannot be a member of the European Economic Community unless you have a value-added tax. Out in the Pacific rim, every country there has a value-added tax. In Korea, for example, it is 25 percent. So the competition is economically succeeding. They have 5 percent in Japan. They will be the largest economy, according to Eamon Fingleton in ''Blindside,'' by the year 2000. They are presently a larger manufacturing nation than we are here in the United States.

So I said it would solve our deficit in the balance of trade because it is rebatable at the bottom, at the border. So if you produce something here today in Washington, this desk and chair, for $500, you will pay all the corporate taxes, all the income taxes, all the sales taxes and everything else. If you ship it to Paris, France, they will add on a 17 percent VAT and sell it. But, if you produce that same chair and desk in Paris, France, they add a 17 percent value-added tax, a VAT at the time of manufacture, but when it leaves the port at Le Havre to come to Washington, DC, they subtract or rebate the 17 percent.

So you can see the tremendous advantage to move the industry offshore. We have been talking about slave labor, about child labor, about 27-cents-an-hour labor down. But let's talk about the advantage they have in Europe and in the Pacific rim where they employ value added taxes.

I have introduced this legislation again in this Congress. That particular bill now, Mr. President, is S. 237. It is in the Finance Committee.

When the distinguished Senator from Texas, Senator HUTCHISON, says, ''Let's do something now,'' let's go to the Finance Committee that the majority of the Republicans control. I will testify. We will get the expert witnesses, and we will get something done. We do not have to wait 7 years on States to find out whether or not we are going to meet our responsibilities.

I really resent the idea of us like a crowd up in the grandstand hollering, ''We want a touchdown, we want a touchdown, we want a touchdown,'' when we are the team, we are on the field.

Mr. WYDEN. Will the Senator yield just for a question?

Mr. HOLLINGS. Yes.

Mr. WYDEN. It seems to me that what you are saying is this is just about budget discipline.

Mr. HOLLINGS. Yes.

Mr. WYDEN. This is about making tough choices, and you can make them in a variety of ways. I said the other day that I thought some of what was going on in this town was like a hot-fudge-sundae approach to dieting. You can have tax cuts, you can have new weapons systems and then somehow say the books are going to balance. It is like having six or seven hot fudge sundaes a day and still lose weight.

I think what you offer in your important remarks is, this is about budget discipline, and you are going to suggest a variety of ways to do it.

Mr. HOLLINGS. Exactly. I thank the distinguished Senator. Let's make the record on the hot fudge sundae.

At the present time, the Dole agenda—and I repeat this and I got into it this morning—was the repeal of the 4.3-cent gas tax. That is $30 billion. The missile defense system is $60 billion. The across-the-board tax cuts, $600 billion.

So that is what we are up against; $690 billion that is in the Presidential campaign and, whoopee, ''I have to get elected because I can cut the revenues another $690 billion. And, incidentally, I get another $600 billion from the Social Security trust fund.'' When the smoke has cleared, we are down well over a trillion bucks.

What a charade. What a fraud. How can anybody be serious and stand up here? But they all have the same sing-song. Let me go quickly, because we are going to run out of time.

They all come in here with the same stock phrases—Thomas Jefferson, children and grandchildren, first balanced budget in 30 years, largest tax increase in history. The largest tax increase in history, one more time—I ask unanimous consent to have printed in the RECORD ''Fiddling with the Numbers,'' by Judy Mann.

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

[From the Washington Post]

FIDDLING WITH THE NUMBERS

(By Judy Mann)

Gov. Christine Todd Whitman, the Republican meteor from New Jersey, had the unusual honor for a first-term governor of being asked to deliver her party's response to President Clinton's State of the Union message last week.

And she delivered a whopper of what can most kindly be called a glaring inaccuracy.

Sandwiched into her Republican sales pitch was the kind of line that does serious political damage: Clinton, she intoned, ''imposed the biggest tax increase in American history.''

And millions of Americans sat in front of their television sets, perhaps believing that Clinton and the Democrat-controlled Congress had done a real number on them.

The trouble is that this poster lady for tax cuts was not letting any facts get in her way. But don't hold your breath waiting for the talk show hosts to set the record straight.

The biggest tax increase in history did not occur in the Omnibus Budget Reconciliation Act of 1993. The biggest tax increase in post-World War II history occurred in 1982 under President Ronald Reagan.

Here is how the two compare, according to Bill Gale, a specialist on tax policy and senior fellow at the Brookings Institution. The 1993 act raised taxes for the next 5 years by a gross total of $268 billion, but with the expansion of the earned income tax credit to more working poor families, the net increase comes to $240.4 billion in 1993. The Tax Equity and Fiscal Responsibility Act of 1982, by comparison, increased taxes by a net of $217.5 billion over 5 years. Nominally, then, it is true that the 1993 tax bill was the biggest in history.

But things don't work nominally. ''A dollar now is worth less than a dollar was back then, so that a tax increase of, say $10 billion in 1982 would be a tax increase of $15 billion now,'' says Gale. In fact, if you adjust for the 48 percent change in price level, the 1982 tax increase becomes a $325.6 billion increase in 1993 dollars. And that makes it the biggest tax increase in history by $85 billion.

Moreover, says Gale, the population of the country increased, so that, on a per person basis, the 1993 tax increase is lower than the one in 1982, and the gross domestic product increased over the decade, which means that personal income rose. ''Once you adjust for price translation, it's not the biggest, and when you account for population and GDP, it gets even smaller.''

He raises another point that makes this whole business of tax policy just a bit more complex than the heroic tax slashers would have us believe. ''The question is whether [the 1993 tax increase] was a good idea or a bad idea, not whether it was the biggest tax increase. Suppose it was the biggest? I find it frustrating that the level of the debate about stuff like this as carried on by politicians is generally so low.''

So was it a good idea? ''We needed to reduce the deficit,'' he says, ''we still need to reduce the deficit. The bond market responded positively. Interest rates fell. There may be a longer term benefit in that it

shows Congress and the president are capable of cutting the deficit even without a balanced budget amendment.''

Other long-term benefits, he says, are that ''more capital is freed up for private investment, and ultimately that can result in more productive and highly paid workers.''

How bad was the hit for those few who did have to pay more taxes? One tax attorney says that his increased taxes were more than offset by savings he was able to generate by refinancing the mortgage on his house at the lower interest rates we've had as a result. The 1993 tax increase did include a 4.3-cent-a-gallon rise in gasoline tax, which hits the middle class. But most of us did not have to endure an income tax increase. In 1992, the top tax rate was 31 percent of the taxable income over $51,900 for single taxpayers and $86,500 for married couples filing jointly. Two new tax brackets were added in 1993: 36 percent for singles with taxable incomes over $115,000 and married couples with incomes over $140,000; and 39.6 percent for singles and married couples with taxable incomes over $250,000.

Not exactly your working poor or even your average family.

The rising GOP stars are finding out that when they say or do something stupid or mendacious, folks notice. The jury ought to be out on Whitman's performance as governor until we see the effects of supply side economics on New Jersey. But in her first nationally televised performance as a spokeswoman for her party, she should have known better than to give the country only half the story. In the process, she left a lot to be desired in one quality Americans are looking for in politicians: honesty.

Mr. HOLLINGS. I thank the distinguished Chair. So we know from all the quotes from the Wall Street Journal, the New York Times, and everything else that the largest tax increase was back in 1982 under the chairman of the Finance Committee, the Senator from Kansas.

The first balanced budget in 30 years—I showed the two letters that we put in from the Director of the Congressional Budget Office, June O'Neill. One day in October of last year on the present 1996 budget, she had a slight surplus, and then 2 days later when we reminded her of section 13301, she said it is a $105 billion deficit.

The distinguished Senator from North Dakota did it in more dramatic terms. Here, again, my colleagues should look at this year's budget resolution, Senate Concurrent Resolution 57. Turn to page 5: Fiscal year 2002, deficits, $108.3 billion.

Come on, how can you keep on saying the first balanced budget when the document itself shows a deficit. You talk about backloading. The President had a backloaded budget. Almost two-thirds of the cuts in that particular phony budget was to occur after the second Presidential election, the last 2 years. Two-thirds of it. It ought to be ashes in their mouths.

So there they are with their first balanced budget in 30 years. All the children and grandchildren—come on, it is us.

You can look at these particular charts and you can see at a glance, even with the President halving the deficit—and he is the only President who has—spending on interest costs continue to rise. The interest costs during the last 4 years has gone up $50 billion. That is just interest costs; that is spending on automatic pilot.

We have increased these costs, forcing the American people to pay more and get less. We are getting hit now; I cannot fully fund women, infants, and children feeding and Head Start and title I for the disadvantaged and student loans and get the economy rebuilt, do the bridges, the highways, expand the airports, and strengthen our economy. I talked about that early this morning. Why can I not do it? Because my money is going to interest costs on the national debt.

President Reagan promised a balanced budget in 1 year. He came in and said, ''Whoops, this problem is way worse. I'll do it in 3 years.'' But, Mr. President, instead he added almost $270 billion in forced spending for nothing.

The interest cost on the national debt after 217 years of history in 1981 was $74.8 billion. Let's call it $75 billion. Now it is projected at $344 billion.

He has added almost $270 billion in unnecessary spending that we get nothing for. We cannot get funds for prisons or the environment. In fact, it just was pointed out, if he had done what he promised—and they all say ''President Clinton promised; President Clinton promised; President Clinton promised''—if Reagan had carried out his particular promises, what would we have done? We would be talking about a surplus around here.

So the unmitigated gall of this crowd that comes aboard—the freshmen. It reminds me of a saying in the Navy during World War II, ''When in danger, when in doubt, run in circles, scream and shout.''

And they come down and get their 2-hour session. I do not know if I have all the time to go down through, because I was making notes. We need to focus on the problem at hand. It is not Social Security which is presently in surplus. It is not Medicare that the distinguished majority leader saw fit to come in and talk about. Medicare is in surplus until 2001, they say, which is what it was when President Clinton came to office.

So we have not gone backward. We had gotten it up to 2002 when Senator EXON and I voted for the 1993 $57 billion cut in Medicare. That is what we did in 1993.

So we have been cutting spending and making progress. As Senator HUTCHISON says, we ought to really do something. They all come in with ''children and grandchildren, children and grandchildren,'' that is on some silly pollster's chart; it is like parrots at a pet store. Then quoting Thomas Jefferson. Ha. They ought to quote Lyndon Baines Johnson. He was conscientious. He was being blamed for the Great Society, the War on Poverty, and the war in Vietnam.

I pointed out how Senator DOLE voted back in 1968 as a House Member for, what, a 10-percent surcharge on income tax for individuals and corporations, $6 billion in spending cuts, $200,000 in employees' cuts, extended excise taxes, and everything else. But we did it. We balanced the budget.

We do not have to go to what Thomas Jefferson said and a constitutional amendment that puts off everything, passing the buck to the legislatures, and the people generally arguing again for another 7 years with interest costs of $353 billion. I can tell you now the interest cost will be over $500 billion by the time they get their so-called constitutional amendment if they can get it.

Mr. President, right to the point, do not quote Jefferson on that. Quote Jefferson on what he said: If between a free press and a free government, I would choose the former. Jefferson's point was, you can have a free government, but unless you have a free press to keep the politicians honest, it is not going to stay free long. That is what is occurring. The free press has joined in the conspiracy with the politicians in making the news, getting polls, reporting ahead of time, making more news. You cannot get them to report the true deficits that we have, the true interest costs that we have, the true initiatives that we make and have made.

There is the ''Balance the budget. Who stands for a balanced budget?'' when the only gentleman in this city that has done something about it, and cannot be blamed, is President William Jefferson Clinton. You can blame me. I have been here. I am in my 30th year. You can blame the Senator from Nebraska or some of the Senators that have been here before 1992.

January 1993 is when President Clinton came to town. We are the ones who gave him the spending on automatic pilot, this horrendous debt, the horrendous interest costs. What does he do? He faces up to the task. He brings in his Vice President and he gets every Democrat to vote for $500 billion in spending cuts, increasing taxes on liquor, beer, cigarettes, and increasing taxes on gasoline, increasing taxes on Social Security.

Who is really serious about Social Security? The Senator from Pennsylvania came here and said, ''You are trying to hide. You're trying to hide,'' he said, ''hide behind Social Security.'' Who is hiding? Old Joe Louis said, ''You can run, but you can't hide.'' The Senator from Pennsylvania.

We made it crystal clear. We have it written in the law. What you are trying to do is hide, in section 7, the repeal of that law. You are the one that is hiding. You are the one that wants to move the deficit from your political accounting in the Government over to the Social Security trust fund and decimate the program. That is exactly what has been going on.

Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from South Carolina has 6 minutes.

Mr. HOLLINGS. I would gladly yield to the distinguished ranking member of our Budget Committee. I thought he was eloquent. I thought he made a masterful statement that was common sense. Out in the Midwest they think that way. I would be glad to yield to the distinguished Senator from Nebraska if he would like a little bit of time in the remaining few minutes I have.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I thank very much my great friend and colleague from South Carolina, whom I have admired ever since I came here 18 years ago. I served under him on the Budget Committee, and I served under him in his chairmanship of the Commerce Committee. We have worked together for so very long on the budget problems of the United States of America. But I simply say that I wish everybody who serves in Congress had his head screwed on as correctly as does the Senator from South Carolina.

During all of this rancorous debate about who is to blame, I am reminded once again of that time—it must have been in 1979—when Jimmy Carter was President of the United States. I believe the Senator was on the Budget Committee and Senator Muskie served as chairman. I remember well the statement that the Senator made when the President of the United States called us down to the White House. The President was very alarmed by the fact that the deficit for that particular fiscal year was likely to go over $100 billion, and if we did not arrest what we were doing, we were going to exceed in the next year or two $1 trillion—the horrible $1 trillion figure—on the national debt. I do not know what the interest on the debt was at that time, but obviously it was small compared to what we are now paying.

So the Senator from South Carolina is accurate in explaining what he did with regard to the remarks that have been made on the floor of this Senate today.

We are not here to find fault. We are here trying to solve a problem. But the problem we have been sinking into over the years goes back to the time when supply-side economics was ushered into this body, when Ronald Reagan became President of the United States.

As the Senator from South Carolina just said, President Ronald Reagan, who is an honorable man, said when he came into office that he was going to balance the budget in 4 years. The facts of the matter were that the budget went out of balance in those 4 years faster than it has gone out of balance any time in the whole history of the United States of America.

The facts of the matter are, while there has been so much criticism of the President of the United States today, it should be remembered and written indelibly, so it will not be forgotten, that under this President we have had 3 successive years of deficit reduction, from a figure of about a $300 billion shortfall in the budget each year, down to about $130 billion. That is what Bill Clinton has done.

So Bill Clinton is the one who has accomplished reducing the deficit faster than any President, probably going back to Harry Truman or Lyndon Johnson. We still have a major problem on our hands. It goes back, and all of this crying and moaning today goes back to that period in the early 1980's when the United States of America was under $1 trillion in national debt and was under $100 billion a year in the annual deficit.

That rose appreciably. And as the Senator from South Carolina has said time and time again, if we had not run up those deficits that were run up under Ronald Reagan, the budget would be balanced today, would be in surplus today, and we would not have all the concerns that we do have about future solvency of Social Security and Medicare.

So I simply say that the reason I am not going to vote for the constitutional amendment to balance the budget, as I elaborated on to some extent earlier today, is the fact, Mr. President, that this is a sham. This is a political sham where the U.S. Senate is being used as a tool in the Presidential race. Unfortunately, that is not the way to run the Government and that certainly is not the way to run our budget. I do appreciate very much the Senator yielding me time.

Mr. HOLLINGS. Mr. President, how much time do I have?

The PRESIDING OFFICER. According to the timekeeper, Senator EXON had 2 minutes reserved for him; so using those 2 minutes, there would still be 2 minutes left.

Mr. EXON. Mr. President, I yield the balance of my 2 minutes to my friend from South Carolina.

Mr. HOLLINGS. I thank the distinguished Senator.

In the 2 minutes I will read from the daddy rabbit of Reaganomics where they start talking about growth now, David Stockman:

> The root problem goes back to the July 1981 frenzy of excessive and imprudent tax cutting that shattered the Nation's fiscal stability. A noisy faction of Republicans have willfully denied this giant mistake for fiscal governance and their own culpability in it ever since. Instead, they have incessantly poisoned the political debate with a mindless stream of antitax venom while pretending that economic growth and spending cuts alone could cure the deficit. It ought to be obvious by now that we can't grow our way out.

With the time left I see the distinguished colleague from Texas, the senior colleague from Texas. I know we will hear a lecture about who is in the wagon. It is the contention of the Senator from South Carolina that it is the Senators and Congressmen in this wagon. We have been in the wagon for 15 years, spending $270 billion for nothing, having a wonderful time, and now with this so-called balanced budget amendment we will get from a wagon into a limousine to ride around the countryside and tell them how we bit the bullet and something will happen two Presidential elections from now.

Mr. CRAIG. Mr. President, I yield the senior Senator from Texas 2 minutes.

Mr. GRAMM. Let me say to my dear colleague from South Carolina that I do not want to talk about who is in the White House. I want to change who is in the White House. Today I want to talk about drought.

THE DROUGHT

Mr. GRAMM. Mr. President, we have 45 million bushels of feed grain in emergency reserve in the United States. We pay $10 million a year in rent to store that feed grain. We have a major drought in many parts of the country. Obviously, much of it is centered in my part of the country. I thought last night we had worked out an agreement whereby we could pass a resolution calling on the Secretary of Agriculture to release this emergency feed grain to let it flow into the market and flow to people who are being forced to liquidate their livestock herds because they cannot obtain food.

It is my understanding that we have now worked that out. I think it is very important this resolution pass tonight. This is not going to make it rain in Texas, Oklahoma, and Kansas. It is not a solution for the kind of divine intervention that we need in eliminating the drought, but it is a small step in the right direction. I hope this resolution tonight will pass. I was disappointed the Democratic leader objected to it yesterday. We could have sent good news out last night. I hope we can do that tonight.

In addition, Senator HUTCHISON and I hope, tonight, to pass a resolution on haying on conservation reserve land. If you will remember, the President wisely, in an action that I applauded, allowed people to put livestock on conservation reserve land. We want to let them hay it in drought areas. I think that is also a step in the right direction.

I thank the distinguished Senator for yielding.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The Senate continued with consideration of the resolution.

Mr. CRAIG. Mr. President, I ask unanimous consent the amount of time the Senator from Texas used not count against the total remaining time Republicans have on the balanced budget debate.

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

Mr. CRAIG. Mr. President, for a good number of hours today the Senate has been involved in what is an important debate, the issue of a balanced budget amendment to our Constitution.

Before I begin, I want to acknowledge the hard work and leadership of several Members of the Senate and the House who have devoted many years of effort on behalf of this legislation. These have included Senator THURMOND, Senator HATCH, and of course the distinguished majority leader, Senator DOLE, on our side of the aisle; Senator SIMON, who is a true statesman and friend, and Senator HEFLIN, on the other side; and Congressmen STENHOLM and SCHAEFER, the House authors of this amendment.

This legislation has come a long way. In 1982, the Senate voted 69 to 31 to pass a balanced budget amendment. It fell 46 votes short in the House. Last year, the House passed it by 300 votes to 132. It lost here in the Senate by a single vote. Of course, we know that Senator DOLE changed his vote to preserve the right to move for reconsideration.

We are now in reconsideration of House Joint Resolution 1. That was after six Democrat Senators switched their vote and opposed the same language that they had voted for 1 year earlier. This is an issue, Mr. President, that is not going to go away. If it is not going to be this Congress, it certainly is going to be the next Congress or another Congress very soon that has to deal with this issue.

There is a very simple reason why it will not go away, because we are not here to decide whether there will be a balanced budget amendment to the Constitution, we are here to decide whether the American people ought to have a right to express their will on this issue. In other words, under article V of the Constitution, we in Congress may only propose amendments to the States for ratification.

That is what we are here to do. The reason I think, Mr. President, this will not go away is because in 1982, 63 percent of the American public said this was an issue that ought to be addressed by Congress passing a balanced budget amendment and sending it to the States. In a Gallup Poll just within the last week, by 83 percent to 14 percent—a 6 to 1 margin—they said they support the balanced budget amendment and it is time we deal with this issue. In other words, the American people, by a very large majority now, say to the Congress of the United States, ''Give us the right to choose.''

Tomorrow when we vote on this, it will be Democrats on the floor of the U.S. Senate that will refuse the American people the right to choose whether to ratify this amendment. Those who oppose the amendment, those who seek to postpone the day of reckoning when this Government must deal with this issue are simply not recognizing their moral obligation to respond as they should to this issue.

Why is it happening now, that the Senate will not pass this amendment? Why will some in the opposition not stay true to where they were on this issue over the last good many years? By that, I mean, Mr. President, acting in a bipartisan way. Why does this issue appear to have become so partisan?

The balanced budget amendment to our Constitution has always been a bipartisan issue. It is now clearly partisan. The President put tremendous pressure on Democrats in 1995. That is why six Senators switched to ''no'' votes from their previous history of ''yes'' votes. We know that. The record ought to be awfully clear that is what happened. Up until that time, we always had that strong bipartisan majority in support of the amendment. Last year, for example, 72 Democrats in the House voted for it; 14 Democrats in the Senate voted for it.

I think, Mr. President, it is truly sad and certainly frustrating when you think you have agreement on such a fundamental principle of government, only to see Senators change their votes. This is not a partisan issue but, I think, a moral issue, a moral imperative, a responsibility of this Senate, to at least allow the American people to express their will. Now we find the only response is that the welfare state mentality of this administration, and tragically enough, those who now oppose this amendment, now want to politicize it. I am afraid that is how the vote will come out.

There are two reasons why the balanced budget amendment was defeated in this past year. In this 104th Congress, the party whose majority and leadership opposed the balanced budget amendment no longer had control of the Congress. They could always manipulate the vote in the past. They could always assure it would not pass. This year, by a change in the electorate, the American people, and most importantly, the Congress, and always the interest groups involved, knew the Congress was firing with real bullets. The liberal special interest groups who are feeding off big Government spending and sending the bill to our children realized we were the closest ever to sending a balanced budget amendment to the States.

That is when the President said to his friends here on the other side, ''You have to block this. You have to stop this.'' That is why six Senators who had been with us before backed off, changed their tune, found an excuse to say something different, switched their vote from a yes to a no. This President, who had never really been for a balanced budget, was able to call the tune. Tragically enough, he and his colleagues denied the American people an opportunity to choose. The President who sent us a so-called balanced budget with an $81 billion deficit in the year 2002 is the one that is now denying the American people their constitutional right to decide this issue.

I simply call on President Clinton to release his hostages, if you will, to release the ''BBA 6'' that once were with us, the Balanced Budget Amendment Six, who once sat on the other side, proud to vote for a balanced budget amendment.

I say, Mr. President, let our colleagues go. Let the American people have a chance to decide. That is really what this effort is all about. Congresses do not enact constitutional amendments; they only propose.

But you would think, from the debate you heard today, that the vote to be cast on the floor of this Senate tomorrow will be the deciding factor that crumbles the Government, destroys the budget.

No, it will not be that at all, Mr. President. What passing this amendment would do is launch one of the most important national debates in the history of our country—a debate that would occur in every capital city in every State in our Nation among the legislators of that State, as to whether this Government balances its budget, and whether the people have a right to tell us to do so—as I think they ought to have.

Those six flip-floppers—those who voted against the amendment when they previously had all been for it—used a very interesting word, a neat little three-letter word, the ''but'' word. They used that three-letter word something like this: ''I am for balancing the budget, but not this way.'' ''I am for a balanced budget amendment, but not this one.'' ''I was for a balanced budget amendment last year, but''—but—''I discovered a new reason to be against it this year.''

Mr. President, the amendment was not any different in March 1995 from what it was in March 1994. Why did they change?

The politics changed. The politics changed dramatically in the fall of 1994, and, as I said, they knew that we were now firing with real bullets, and the chance to send a balanced budget to the American people was, for the first time, truly a real likelihood.

Members of this body may have read a book written a few years ago by a former staffer of the Democrat Speaker of the House, a book on ''Inside-the-Beltway Political Gamesmanship.'' It had an entire chapter devoted to the following rule, Mr. President:

When you are losing the argument, concede on the principle and continue to fight over the details.

The balanced budget amendment opponents, obviously, have read the book, memorized that rule, and are today implementing it on the floor of the U.S. Senate.

Now we have at least 72 Senators who say that they agree on the principle of a balanced budget amendment. But fewer than the 67—the two-thirds necessary—that will ever vote for the passage of one.

Now there appear to be 90 or 100 Senators who say, ''Well, now, we agree on the principle of a balanced budget.'' But there are more than enough votes to sustain the President's veto when, in fact, he vetoes a real balanced budget. In other words, when you are losing the argument, concede on the principle and continue to fight on the details.

Mr. President, I respect the sincerely held opinions of those who have come to the floor and oppose any balanced budget amendment. That is different. There are Senators who do that. Senator Bob BYRD of West Virginia says he opposes any balanced budget amendment. It is my understanding that he has been consistent in not voting for one. He holds true to his conviction. He does not now agree ''in principle'' and say, ''But something is wrong with the details.'' Well, I have to respect that. That is fair.

What frustrates me, and will increasingly anger the American people, is how so many in this body, or the other, say, ''Oh, I am for a balanced budget amendment in principle,'' but, Mr. President, their actions imply differently, as shown in their votes versus their words.

It is a time-tested trick in this business called ''political gamesmanship'' to make the perfect the enemy of the good.

If you want to kill a proposal like the balanced budget amendment, instead of saying you are against it, when 83 percent of the American people are for it, you simply say that it is not good enough, not quite the way we want it, and if we can only shape it a little differently, then we would have it the way it ought to be.

Now, that is nitpicking in the highest form, Mr. President. You make up the exceptions that would gut the amendment, and you say, ''This is an improvement because I cannot vote for it the way it is.'' The result is, you kill the amendment because you want to preserve the status quo.

All this nitpicking and all of the blamesmanship really misses the point. The one central question before us is this:

Would this country be better off, would the lives of American citizens be improved, if we placed the Government under a balanced budget amendment to our Constitution?

Would our children have a better life now and in the future? Would working men and women have better jobs? Would our senior citizens be more secure in the Government's ability to keep its promises to them? Would homes and education be more affordable?

Over the long run, would there be more money left over for charities, families, and Government to care for the poor, the sick, and the needy?

These are all variations of one question. And, of course, the answer to that question is undeniably yes. We know that, and the American people know that. We know of the huge amount of money, the economic vitality, that the debt of the Government now consumes.

Balanced budget amendment opponents say, ''We will not vote for a constitutional amendment to require a balanced budget until we see your actual plan to balance the budget, because we know we can produce one.''

You and I both know, Mr. President, we have produced a balanced budget, in answer to that argument, over the last 12 months.

We, in fact, produced a balanced budget and did not touch Social Security. We increased spending and increased consumer choices for every senior citizen in Medicare. We preserved the safety net for the needy and cut the redtape to make it easier for Federal-State partnerships to help them. And we continued to be responsible in protecting the environment.

All of those things were done in the context of a balanced budget. We answered their charge, and we answered their call.

And the President vetoed it.

Now we understand a great deal more about this debate. Without the extraordinary discipline that our Constitution will bring us, we probably will find it very difficult to get to a balanced budget, or even a nearly-balanced budget, unless we can, in fact, get a constitutional amendment that requires, in the supreme law of the land, that this body and the other respond every year with a balanced budget.

Here is an example of why I think that argument makes so much sense. Here is the record about the goodwill and the intent of Congresses and Presidents of the United States when it comes to balancing the budget:

The Budget and Accounting Act of 1921, also called the Anti-Deficiency Act, was intended to keep the budget balanced. The Revenue Act of 1964 was supposed to balance the budget. The BYRD amendment of 1978—offered by Senator Harry F. Byrd of Virginia—required balanced budgets. The Humphrey-Hawkins Act of 1978 called for balancing the budget. The Revenue Act of 1978 was supposed to balance the budget. The Debt Limit Increase of 1979 included language to balance the budget. The Bretton Woods amendment of 1980, as amended by a second Byrd amendment, required a balanced budget. The recodification of title XXXI, in 1982, with an amendment better known as Byrd III, called for a balanced budget. The Gramm-Rudman-Hollings Act—act No. 1—of 1985 required a balanced budget. The Gramm-Rudman-Hollings Act of 1987—act No. 2—required a balanced budget. The Budget Enforcement Act of 1990 was supposed to balance the budget.

Why, then, do we have a debt of the kind we have today, of $5.13 trillion dollars? Why are we spending hundreds of billions of dollars on interest, after all of that exercise, from 1921 to 1990, in which the specific language and the direction of the public policy of this country was to balance the Federal budget, and why do we not have a balanced budget?

The reason is very simple. We do not have an amendment to the constitution. We do not have in the organic law of the land a requirement that says to the Congress and the President that you cannot pass ''go,'' you have to make the tough choices, you have to do it.

As a result of that, the tough choices were never made. The American public was played to. There was good intent in many of those instances. But Congresses and Presidents simply could not face the kind of decisionmaking that the people expected of responsible leaders.

Now, I have heard today the flip and the flop of the red herring so many times coming from that side that it has been most difficult to hold a straight face.

What am I talking about? I am talking about Social Security. Let me say for the RECORD they are wrong. It is a false argument, and they know it. But once again the safety for the status quo is in fighting over the details.

If you do not want to face up to balancing the budget, and if you really do not want a balanced budget amendment, then you find a new argument. Just this year alone, after those six Senators were always with us, when the President said to them, you cannot be with the amendment's supporters, find a way out, they found a way out. They found a new argument. That new argument was Social Security.

At best, those making the argument—while one might wonder about their intention, and I trust that it is good—I must agree with Members on our side that they are tremendously misinformed.

At worst, there are big special interest groups with deep pockets using mass mail scare tactics to frighten innocent seniors, with one goal and one goal alone, and that is to destroy the idea of a balanced budget amendment.

Senior citizens I have talked to in my State of Idaho—and I am sure that you have also, Mr. President, in your State of Michigan—know perfectly well that a bankrupt Federal Government will not have the ability to send any Social Security checks out to anybody.

No checks will go out, if our Government is bankrupt. By killing the balanced budget amendment, opponents are killing the only way—the only true way—to save Social Security and other seniors programs.

Robert J. Myers, the former chief actuary and former deputy commissioner of the Social Security Administration, has said this. We have had him before hearings. He has publicly testified and made these comments. He says,

> ''Regaining control of our fiscal affairs is the most important step we can take to protect the soundness of the Social Security trust fund. I urge Congress to make the goal a reality, to pass a balanced budget amendment without delay.''

That is a former chief actuary of the Social Security system. He says the only way you save Social Security is to balance the budget.

Mr. President, we keep hearing about raiding Social Security. No one is raiding the Social Security trust funds. That is false rhetoric. It is wrong for them to use it, and they know it. But it gives them their excuse for opposing the amendment.

There are two things happening.

First, ever since President Franklin Delano Roosevelt, a Democrat, created Social Security in the 1930's, any surplus funds have been borrowed by the Federal Treasury and invested in Federal bonds.

Why? So that the money not needed immediately to pay out benefits could earn interest safely and soundly.

Second, ever since President Lyndon Johnson, a Democrat, put the Government on a unified budget in the 1960's, annual Social Security surpluses have been counted as reducing the overall Federal deficit in that year.

It is simply a matter of bookkeeping. Many believe it is bad bookkeeping. But in all fairness, it is no ruse. It is only bookkeeping.

Those are facts. They are reality. There have been no games played. That is the law.

Ever since our last balanced budget in 1969, these borrowing and bookkeeping practices have been happening with Social Security. Under 20 budgets passed by Democrat Congresses, under six budgets passed by divided Congresses, and so far for one budget resulting during a Republican Congress, this has been the law, and this has been the reality, this borrowing, and this bookkeeping.

The reality is that every budget submitted by President Clinton in the last year, the House Democrat blue dog budget in the last year, the Conrad substitute budget, and the Chafee-Breaux budget—all of them use this kind of borrowing and bookkeeping.

So let us not play games with the record of the Congress, with the record of the Senate, with the minds of the American people. The reality is in the answer to the question, Are you for or are you against a balanced budget? If you are for one, you will allow the American people to engage in this debate, to become actively involved.

Treasury borrowing from Social Security would continue under the balanced budget amendment, and under any and every substitute—the ones offered by Senator HOLLINGS, Senator WYDEN, Senator DORGAN, Senator FEINSTEIN, Senator REID, whomever—the reality is, under their alternatives, they continue to borrow from the trust funds because the laws of the 1930's require it.

Their alternative does nothing to change or stop the Treasury from borrowing Social Security surpluses.

Why do they not tell us this? In other words, get honest and get real. Quit playing the mind game with the American people.

There is only one way to change Treasury borrowing from Social Security, and it has nothing to do with a balanced budget amendment.

The only way to make surplus Social Security funds unavailable to the Federal Government is to pass a law that requires Social Security surpluses to be invested somewhere else outside of the Federal Government.

Has that been proposed today? It has not. Will it be proposed by any one of these Senators? We will see, but I doubt it. And if that bill were proposed, and if it became law, that law would have exactly the same effect under our amendment or their amendment.

So, to those who are suggesting that their opposition to the balanced budget amendment is because of Social Security, I say, You do not quite argue the whole argument. Bring forth your bill to change the system for investing in Treasury bonds, if that is what you believe. But stop hiding behind this ridiculous, absolutely false claim that the balanced budget amendment somehow does anything to harm the Social Security system.

Every alternative to the balanced budget amendment the opponents have put forth dealing with Social Security has loopholes in it that you could drive nearly any amount of spending through it, as long as you call it Social Security. They are more loophole than law.

Their proposal would allow Social Security to run unlimited deficits and would allow future Congresses to raid Social Security trust funds to spend for anything and everything they wanted.

Has that question been asked of them today? No, it has not. I ask it now. Is that what you are proposing—to allow unlimited deficits in Social Security to allow borrowing for other purposes? Of course, they would say no, but that is what their language would allow. But they do not seem to want to talk about it.

A flatout exemption for Social Security in the balanced budget amendment would mean more borrowing and more debt. It would mean Social Security would go bankrupt to pay for all this other spending, or there would have to be a huge tax increase to stabilize it.

Several Senators have had serious discussions to see if there was a way to protect the surpluses of Social Security trust funds from being used for other purposes, without creating loopholes.

Senator SIMON, whom I have worked with for years on this issue, Senator DOMENICI, and Senator HATCH spent an awful lot of time, and I have, too, trying to find out if there was a clean, responsible way to protect the surpluses Social Security trust funds in the context of the argument put forth by Democrats.

We know that can be done, but we have not been able to accomplish agreement with those who say that is what they want.

We said, let's prohibit Social Security surpluses from being counted to make the deficit look smaller. Let's balance the budget without using the Social Security surplus. But, when Social Security starts running deficits around the year 2019, let's make up those deficits, let's keep the lid on Federal borrowing, and let's shore up Social Security with funds from the rest of the budget.

Unfortunately, the opponents once again agreed with us on principle, but not on the details.

Let's get back to the most important point in this Social Security debate. And it is something very, very simple. If you balance the budget and if you quit creating debt, you in fact strengthen and stabilize Social Security. You solve the problem now by creating fiscal responsibility and economic growth in this country, and you accomplish that by balancing budgets and moving along the process that sets this economy free.

Deficit spending and a mounting national debt are taking a tremendous toll on real people, on real families. And if we do nothing, it will only get worse.

The President's own budget for fiscal 1995 said that unless things change, Mr. President, future generations face a lifetime total tax rate of nearly 82 percent. A new analysis by the Congressional Budget Office says that rate actually may be around 84 percent.

The National Taxpayers Union estimates that unless things change, a child born today will pay an extra $180,000 in taxes just to pay interest on the national debt. And the President and some Democrats in the Senate will not allow the American people to create the mechanism that will stop the growth of that kind of debt structure.

The Concord Coalition says that the existing Federal debt already has reduced the typical American family income by 15,000 spendable dollars a year.

On the other hand, who benefits if we balance the budget?

The kids benefit, the future benefits, and everyone who wants a job, who wants to buy a home, who wants a good education, wants to buy a car, wants the kind of economic growth that will provide his or her children the future opportunities that they had at their age when they were young.

That is what this whole debate is about—about a $2,400-a-year reduction in a mortgage payment on $75,000, 30-year mortgage. Or it is about a $1,000 reduction in interest on the life of a 4-year car loan. Or a family saving $1,900 on a 10-year student loan. And it's about creating 6 million new jobs by the year 2002.

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

Mr. CRAIG. I am happy to yield to the chairman of the Budget Committee.

Mr. DOMENICI. I heard you say balanced budgets are good for the children and it is good for the future. It is good for senior citizens, too, is it not?

Mr. CRAIG. If the senior citizens want a strong and stable system of economic security, you are darned right it is good. There is something else. Senior citizens live on fixed incomes. The best thing in the world for them is a very strong economy that allows them to live and to not have their money exploited by inflation.

Mr. DOMENICI. It seems to me that almost everybody who has looked at

the Social Security system over time has said the most significant, positive thing that can happen for that Social Security system is to have a strong, growing, robust American economy with low inflation. I thought one of the big reasons we were all working on this balanced budget is because it is more apt to produce a strong, robust growing American economy than deficit spending of the type we have been undertaking for the last 40 years.

Am I correct in that?

Mr. CRAIG. The Senator is correct. A year ago we were challenged on this floor by those who opposed a balanced budget amendment and who said you can balance the budget without an amendment.

The chairman of the Budget Committee met that challenge responsibly in the way that it ought to be met and produced a balanced budget amendment, one that brought us to balance. The chairman produced a budget that honored the critical policy priorities of this country and sent it to a President, this President, and he vetoed it.

And now it is this President who is twisting the arms over here on the other side to assure that a balanced budget amendment does not pass and that the American people do not get to exercise their constitutional to debate whether to ratify it.

Mr. DOMENICI. I thank the Senator very much.

Mr. CRAIG. So the chairman is absolutely right.

Mr. President, let me try to close soon. My colleague from Alaska is here to debate this issue. Here are some other statistics that are just so darned important for all of us to understand.

The gross Federal debt now tops $5 trillion—that is more than $19,000 for every man, woman and child in this country. The gross interest payments this year are around $344 billion.

Here is what that says to all of us who try to deal with these monstrously big numbers that nobody really understands.

That $344 billion in interest payments this year amounts to $1,300 for every American. In other words, the average American household will pay $3,400 in taxes this year, not for roads or education or defense, but to pay interest on past Federal debts.

Gross interest payments this year will be equal to 54 percent of all the individual income taxes collected.

Gross interest payments on debt will be just $4 billion less than what we will spend on the entire Social Security bill for the year; $77 billion more than we will spend on all domestic discretionary programs put together; $79 billion more than we will spend on defense, the second largest Federal program; $145 billion more than all Federal means tested poverty programs put together; $148 billion more than we spent on all Medicare, the third biggest Federal program.

What is the message here? The message is that slowly but surely because this Senate has been unwilling to grapple with the true issue of getting to a balanced budget—and that is the balanced budget amendment—over the years we have seen this debt grow in proportion to the budget and the economy, and today's interest on debt is literally consuming the Federal budget and the assets of the American people.

The Economic and Budget Outlook just released by the Congressional Budget Office contains a truly frightening chapter on the long-term budget outlook. It says, if we do nothing, our children face a grim future.

Today, we are suffering from historically slow economic growth. Unless we change things, in one generation, the economy will start a real decline and our children will face a permanently declining standard of living.

If we do not pass this amendment, I fear for our children and I fear for our country.

If we do nothing:

In less than two generations, the debt burden will grow so huge that, in CBO's words, it ''would exceed levels that the economy could reasonably support.''

Our children will reach the prime of their life and then retire in a nation in the grip of a permanently worsening recession.

Our grandchildren will raise families in a declining Third World economy. Or—and I do not say this lightly—there will be a revolution.

On the other hand, these same CBO projections show what will happen if we do the right thing today:

If we balance the budget permanently beginning in 2002, real incomes for the next generation will be one-third higher than they are today.

Our path is clear.

The worst thing you can say about the balanced budget amendment is that maybe Congresses and Presidents will have the courage and vision to do the right thing without it.

The bitter experience of history suggests otherwise.

The best thing you can say about this amendment is that it guarantees we will pass on the American dream to our children and that they will continue to have the opportunity for a better life; that our seniors will be more economically secure; and that Americans today and tomorrow will have more and better jobs.

I certainly hope we can arrive at that magic two-thirds vote tomorrow. I certainly hope the President would free his balanced budget amendment hostages over on the other side and allow them to vote their true conviction as they have over the years under the leadership of the Senator from Illinois, PAUL SIMON, who has worked so hard to keep this a balanced, bipartisan issue. I am so disappointed that this issue has become a partisan-type issue. But I remain hopeful, because the balanced budget amendment will not go away. The people want it. The future needs it. And our nation deserves it.

Mr. President, I now yield——

Mr. MURKOWSKI. Ten minutes.

Mr. CRAIG. Ten minutes to the Senator from Alaska.

The PRESIDING OFFICER. The Chair indicates to the Senator from Idaho he has exactly 10 minutes remaining under his time.

The Senator from Alaska.

Mr. MURKOWSKI. I thank the Chair. I thank my colleague from Idaho. I thought his comments were certainly appropriate. Let us reflect a little bit about the vote we are going to cast tomorrow. That vote will really determine the economic stability and the vitality of this Nation as we enter the 21st century.

Mr. President, I am going to vote for this balanced budget amendment because I believe nothing short of amending the Constitution is going to change our addiction to spending and living beyond our means.

I was a commercial banker during my previous life outside this body. I recall back in 1962 the Federal Government's budget reached $100 billion. By 1971, it had doubled to $200 billion. By 1977, it had doubled again. In 1983, the Federal budget topped $800 billion. The budget for next year, fiscal year 1997, will be more than $1.6 trillion.

We have heard concerns expressed on the other side relative to the Social Security issue. It has been commented that somehow a balanced budget will have a detrimental effect on our obligation to meet our Social Security commitments.

Just think for a moment. How can we meet our obligation to our seniors, how can we meet the obligation of coming generations if our fiscal house is not in order? It has already been suggested as to what the increased tax burden will have to be on future generations.

We have been spending far in excess of revenues. That is like carrying an overdraft or carrying your accounts on your credit card knowing you cannot pay them off. So what have we been doing? We have been increasing the amount that we are spending for interest. I think it is somewhere in the area of $240 billion today. That is nearly $1,000 for every man, woman, and child in America. What does it do? It pays interest on the Federal debt.

Now, not too many people talk about the Federal debt, but we have increased the Federal debt authorization now to $5 trillion. It seems as if we go through a budget process, we add up what we need, we take a look at the revenue that we have, and instead of either increasing the revenue or cutting the expenditures we simply take what we need and add it to the accumulated national Federal debt, which is over $5 trillion.

This interest cost must be paid. I have said it on this floor time and time again. Interest is like owning a horse that eats while you sleep. It goes on and on and on. What is the exposure with the increased amount that we have to pay? As everyone knows, interest rates fluctuate. I am often reminded of what the prime rate was in

December of 1980. The prime rate was 20.5. You can imagine the interest cost on $5 trillion if, indeed, we were in that range again, and this could happen. It happened before.

After years of trying, last year this Congress came within one vote of sending a balanced budget constitutional amendment to the States. The amendment passed the House of Representatives on January 26 when House Joint Resolution 1 was approved by a vote of 300 to 132, easily exceeding the necessary two-thirds majority. The Senate added an amendment restricting the power of the courts to enforce the amendment and defeated many weakening amendments, but then on March 2 the Senate failed by one vote to adopt the proposed constitutional amendment.

We have the opportunity to address this again tomorrow.

If we look at history, we will realize that for more than one-third of a century—35 of the last 36 years, the Government has been running a continuous and unending string of deficits. Even if we adopt this amendment, it is an absolute certainty the deficits will continue into the year 2000.

I have reflected on the debt being more than $5 trillion. In 10 years, Mr. President, that debt is going to rise by 80 percent up to what? Nine trillion dollars. Put another way, in the year 2006, every man, woman, and child in America will owe Uncle Sam $32,700. For a family of four, that is $131,000.

What are we thinking of here? There should be absolutely no question that we do not have the self-discipline in this body to address a balanced budget process. With a constitutional amendment, it will mandate that process.

We have not been blind to these deficits. For the last 11 years, Congress and the President have sought to find solutions, remedies. We passed statutes and reconciliation bills, all in the name of reaching a deficit of zero. On three occasions over the past 10 years, legislators on both sides of the aisle sat down with the President and tried to hammer out some workable solutions to solve the deficit. On every occasion the promise of a zero deficit has evaporated.

Congress did not have the discipline or the political courage to do the one thing that would bring down the deficit, reduce spending. Yes, we voted to raise taxes on more than one occasion, but have we ever cut or frozen spending? No. It was only last year that we finally had the courage to face up to the challenge of runaway entitlements. Today, those entitlements account for 55 percent of Federal spending and will grow to 59 percent by the end of this century. There is not going to be any discretionary spending left.

The American public witnessed, I think, an unprecedented spectacle when the President vetoed the only creditable balanced budget proposal ever to be written by Congress.

Then—we got blamed for it—but he shut down the Government because of his refusal to give up the taxing and spending policies that have brought us to the brink of national bankruptcy and placed blame on Congress because we attempted to responsibly address the deficit.

Had this amendment been incorporated in the Constitution, the President would have been in violation of his own oath of office to preserve, to protect and defend the Constitution—which he refused to abide by vetoing a real balanced budget.

We are basically broke. Any CPA or banker can look at the Federal statement and find $5 trillion in debt; interest of 14 percent of the budget would tell you that. We can no longer labor under the assumption that business as usual in Washington assumes that every year we can run those deficits of $150 billion, $250 billion, $350 billion—$350 billion. This accumulation of debt has brought us, today, to the point where, for the first time in our history, we are forced to borrow from the credit markets for the sole purpose of paying interest on the debt.

Think of that. We are borrowing to pay interest on the debt. We are not borrowing just out there to fund our programs. We are having to borrow to pay the interest. That is why we are broke. It may surprise some people to know that over the next 10 years we would be running a surplus, we would be running a surplus in this country in the Federal budget if every year we did not have to pay that $200 billion to $400 billion annual interest bill that has resulted in our chronic inability to bring revenue and spending into balance.

I said we are broke. We are borrowing just to cover those interest costs. That is fiscal irresponsibility. We all know it. We are subject to the shifting winds of international investment flows, where a minor change of economic policy, not in this country, but in Bonn or London, or an earthquake in Japan—those are the people who are financing, if you will, a portion of our debt—could have a direct effect on what this United States Government has to pay for money to finance its debt. Can anyone imagine what would happen if the owners of our debt—18 percent of which, I might add, is owned by foreigners—if they felt there was a sudden loss of confidence in the U.S. economy, and they called in the debt, they called in just $300 billion or $500 billion of our debt? How would we pay the owners off? We could not unless we inflated our dollar to the point that what a dollar buys today would actually be worth 50 cents or less. That is how it is done.

The only way to get out of this sea of red ink is to adopt a simple mandate because we do not have the discipline to do it—we have proven it time and time again—and adopt the balanced budget amendment.

The public knows that no family or business can survive very long when, year in and year out, the principal of its debt grows and all its borrowing is dedicated to paying off the debt holders.

When future generations look back on the decisions that we made in the last decade of the 20th century, I know they will appreciate the wisdom of the people in the Congress in adding the balanced budget amendment to the Constitution. For this amendment stands for the proposition that future generations are entitled to economic freedom, unburdened by the financial debt of past generations.

It is our responsibility to end the practice of sending unpaid bills to our children and to our grandchildren. That is a principle that belongs in the Constitution in the same sense as the freedom of speech and the freedom of press belong to the Constitution.

Let me just repeat that because I firmly believe that. It is our responsibility to end the practice of sending unpaid bills to our children and grandchildren. That principle belongs in the Constitution in the same sense as the freedom of speech and press belong in that document.

I urge my colleagues to adopt this amendment, send it to the States where it can be debated by the people. Give them a chance to render their judgment.

Mr. President, I would like to introduce a bill.

(The remarks of Mr. MURKOWSKI pertaining to the introduction of S. 1844 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, we are talking this evening and voting tomorrow on whether to add another amendment to the Constitution of the United States. Our Constitution has had 27 amendments added to it in 209 years. If you do not count the Bill of Rights, the first 10 amendments, then it has been amended 17 times in about 205 years. That is not very many times.

Most times that we have amended the Constitution it has been when it has become an absolute necessity. We do not revise this sacred document otherwise.

I support the balanced budget amendment that is before us. I had a chance to vote on it last year, when it failed by one vote. I supported it in 1994, when it failed by two or three votes, I believe. I voted on it in other versions in previous years. I very much support the principle of having a constitutional amendment and to have our Constitution then say that Congress should live within its income. I think this is very, very good discipline that results from such a constitutional provision, a discipline that we see in State legislative bodies. I think about 46 States have such requirements. Their requirements make legislative bodies, whether controlled by liberals or by conservatives, fiscally responsible. Fiscally responsible is mainly interpreted as living within your annual income. As families must live within that income, as businesses live within that income, the

same discipline ought to apply to the Federal Government.

Many of our early constitutional Framers, early statesmen, and early political leaders, believed in that principle so strongly that they did not feel it had to be put in the Constitution. For maybe 170 years, living within our means, was really not much of a problem. But in the last generation, the Congress and even leaders in the executive branch have gone hog wild on spending money. They have not cared about building up a tremendous debt that puts an obligation on future generations. They failed to consider it an immoral obligation that we have given to other generations.

Living beyond our income is an expression of materialism that is too rampant in American society. Living beyond one's income, in and of itself, is a major problem. Possibly, the Federal deficit is just an expression of our societal excess. But to some extent, maybe the lack of leadership shown by us in the Congress of the United States on the principle of not balancing the Federal budget is an example of not living within our income and has fed that base materialism of the American people. I see our discussion today and the amendment we are dealing with as an effort to reject that sort of fiscal policy and reject the materialism that it promotes within our American society.

So we have another chance on this vote for a balanced budget constitutional amendment. Who knows, maybe some think this is the last chance. I do not think it is the last chance if we do not pass this tomorrow. This is not going to go away, so people might as well realize that eventually the wisdom of the American people is going to win out. Their wisdom is that Government ought to live within its income, just like families must live within their income and businesses must live within their income or otherwise go bankrupt.

When is the day of bankruptcy for America? Maybe we cannot predict it. It might be next year, or it might be 10 years from now, but there is always a day of reckoning when you are not fiscally responsible. The same principles apply whether it is Government or whether it is families or businesses.

I am thankful for Senator DOLE's wisdom in reversing his vote so that he could file this motion to reconsider the balanced budget amendment and we can have another opportunity to do right what we did wrong last year. He gave us another vote on this important amendment.

Of course, I am also thankful for the U.S. Constitution, including all of its inherent imperfections. It may be imperfect, but our Constitution has continued longer than any other written form of government. I believe that this is because it is a living, breathing, and evolving document. Indeed, it is evolution that we seek.

Originally, it sought to fulfill the promises of the Declaration of Independence, and that declaration grew out of our Nation's ordeal that we remember as the Revolutionary War. People at that time were, literally, bleeding for a crusade of liberty that they believed in. They knew the oppression of a distant authoritarian monarchy. They had a yearning to be free. They believed that freedom was bestowed upon them by their creator, and the Constitution reflects that.

The Declaration of Independence was a promise of liberty. The Constitution—this Constitution that I hold in my right hand—is a fulfillment of that promise. It continues to fulfill the promise not of politicians, but of the hearts of the people of our Nation.

I believe that American people, again, sense themselves oppressed by a distant authoritarian power. That authoritarian power is Washington. It has evolved, as such, since the Constitutional Convention of 1787. The oppression that the American people feel is an ever-increasing national debt and the heavy hand of big government. That big government comes as a result of more laws and more expenditures and more programs that are not paid for on a current basis. Rather, they are left to our children and our grandchildren.

Big government, aided and abetted by Congresses and Presidents, appropriates the future liability and promissory notes of our children and our grandchildren. History teaches us that modern day Presidents and Congresses cannot resist the temptation to spend us into oblivion. Those who oppose this balanced budget amendment speak with little credibility when they propose with sanctimony some alternative way. We have tried their alternative way, and it failed.

In last year's debate, Mr. President, we were told we did not need this constitutional amendment, because if you want to balance the budget, you could just go do it without it being required by the law of the land. So we worked 8 months, in 13 committees, on a 1,800-page Balanced Budget Act of 1995. We sent it to the President around Thanksgiving time. The President vetoed our work on December 5, 1995. We received not one bit of help from people who said we did not need a constitutional amendment. They thought that we could just do it, but they were wrong.

How many times did we hear on the Senate floor, just do it, and we did it without the constitutional amendment, without the help of people who said, just do it. Then, we got a veto from a President who says now he believes in a balanced budget. At the time of the veto he had not presented a balanced budget. We still do not have it, and we will not know if we will have it, even though we are going through the process of resolving to balance the next fiscal year's budget.

I have come to the conclusion that the only viable alternative is with a congressional commitment to a balanced budget through the constitutional amendment that we have before us. Living within our means must be the law of the land. Americans must know that we current legislators, and those who follow us, cannot enslave future generations to distant creditors. If there is any inalienable right, Mr. President, surely it is the one to know that you are not burdened for the cost of something that you did not have any opportunity to enjoy.

In 1775, Alexander Hamilton said something pertinent on this issue. He said:

> The sacred rights of mankind are not to be rummaged for among old parchments, or musty records. They are written, as with a sunbeam, in the whole volume of human nature, by the hand of the divinity itself; and can never be erased or obscured by mortal power.

Mr. President, this means that the people's will is the law, and the Constitution only becomes the law as enumeration of the people's will. It tells us that sooner or later the American people will again have their balanced budget, like they did for most of the first 170-year history of our country. The people will not ultimately be oppressed by our spending habits. If we do not show a commitment to a balanced budget, the people will balance the budget with a future Congress. Their first step toward that balance will be to replace the current Congress with its irresponsible spending habits. Our first step to avoid being replaced should be to pass a resolution for this amendment and send it to the States for their review.

The key to passing a balanced budget amendment is its abundant grassroots, bipartisan support. This support reflects the fact that Americans support the amendment by very, very large margins. It should, therefore, have passed this body a long time ago by equally large margins, but it has not. It has not because some Members of the other party have decided to play politics. Some want to try to deny any victory to Republicans for purely political reasons.

I think the American people deserve better. I think that the American people deserve a Government that responds to the will of the American people. They deserve a Government that spends only what it takes in; in other words, a Government that does what simple, common sense dictates.

Somehow, common sense eludes us. In the past, year after year, Members of one Chamber or the other voted down this constitutional amendment, and year after year, the budget deficit increased. Meanwhile, year after year, our children have been saddled with increasingly larger debt.

The American people, I think, expressed their desire to eliminate the burden when they elected a Republican Congress in 1994 for the first time in 40 years.

A balanced budget would mean a stronger economy, good Government, and more jobs produced by that stronger economy. DRI-McGraw Hill, which

has been called the world's leading nonpartisan economic analysis and forecasting firm, has concluded that the balanced budget amendment would add credibility to budgeting.

This credibility would lead to lower interest rates and a stronger economy. Mr. Greenspan, the Chairman of the Federal Reserve Board, says that for individuals balancing the budget would yield $2,300 less interest on a 30-year home mortgage, $603 less interest per year on a student loan, and $150 less per year on car loans. So we are talking about real economic benefit coming from our passing something like the failed Balanced Budget Act of 1995. Possibly we will succeed this year.

This same firm found that the lower interest rates resulting from the balanced budget amendment could create half the necessary savings needed to balance the budget in the first place. This is because interest on the debt is such a large portion of our Federal budget. Lower interest rates then mean lower payments.

I believe that the American people are willing to do their part to prevent future generations from being saddled with an unconscionable amount of debt. They are willing to do so even if it means that some Federal spending they support would be affected. This is especially true if our budgeting is done fairly.

I am reminded by a constituent of mine who told me he was a lifelong Democrat. He now votes Republican because he is certain that if we do not stop spending more than we take in, we will be the ruin of our children and grandchildren.

That is what this debate is all about today. It is about passing on the American dream to our children and our grandchildren. Americans of all political persuasions are realizing that the role of the Federal Government must be limited. Even the people of the other party are taking that view now in this town. So messages from the grassroots, expressed in the last election, are getting through, not only to Republicans, but to Democrats as well.

They know that all Federal programs have not delivered what had been promised. They also know that the sums of money that are spent on these costly programs are tremendous. Many of these programs have failed or are filled with waste and abuse.

I hope that the Senators who may have supported this amendment in the past, particularly in 1994 when it was the same wording as it is now—they changed their mind last time because of pressure from the White House—will come back to the original position they had when their party controlled the Congress. That was a time when their President was not fighting the language of this amendment.

It seems what was OK in 1994 should have been all right in 1995. Senators have one more opportunity in 1996 to correct that mistake. I think the reason to do it is because our children's future is too important for us to ignore this opportunity.

I have spoken before about my first involvement in legislation to balance the budget. It was not a constitutional amendment. It was a law to require a balanced budget. There was a Senator by the name of Harry F. Byrd from Virginia at that time. I think it was in 1978. I was a Member of the other body. I worked with Senator Byrd to pass a simple law that says, ''The Federal Government shall not spend more than it takes in.''

That was a very well-intentioned but law. Quite frankly, as I look back on it, it unfortunately was a very weak response to a very serious problem that was a lot less serious then than it is today. Because under our Constitution, as you know, succeeding Congresses can obliterate anything that a preceding Congress has done.

I learned an important lesson from that Byrd-Grassley legislation. Congress needs help with self-discipline. Each of the prior efforts to balance the budget, whether it was the Byrd-Grassley law or whether it was Gramm-Rudman I, Gramm-Rudman II, or other budget agreements in the 1990's, have all failed because they can be changed so easily.

Pure and simple, big government is addicted to big spending and the big debt that results therefrom. That is why a constitutional amendment is necessary. A constitutional amendment, though difficult to get adopted in the first place, is also difficult to change. It cannot be changed like Gramm–Rudman I or II was changed. So it would not be changed by a simple unwillingness of legislative bodies to follow its mandate and bite the bullet.

We take an oath to uphold this Constitution every 6 years when we are sworn into the Senate. We see the effective restraint that a constitutional provision brings to the States, as I have spoken of already. Because State legislatures that are controlled by conservative Republicans or liberal Democrats take a similar oath, the rule of law that follows it applies and is strictly adhered to.

So only the balanced budget amendment that is before us will ultimately restrain runaway Government spending. A new day will come when we have a constitutional amendment disciplining our spending appetites. The Senate's passage of the balanced budget amendment would show the public that we have decided to get serious about protecting the American dream and passing that dream on to our children and grandchildren. It is in doubt today with big debt, high interest rates, and a growth in the economy that is slower than it takes to sustain the American dream for our expanding population.

Because of high interest rates and high taxes, there are 3 million jobs that have not been created in the present recovery since 1992 that would have been created in other normal recoveries since World War II.

Our beloved, but imperfect, Constitution has allowed us to endanger the American dream because we have not yet added the written philosophy that our forefathers had in their hearts and practiced in the Congress. They did not put it into the Constitution because they did not think it was necessary. Now, 209 years later, we find it absolutely necessary to protect our way of life. We have an imperfect document except that the Framers gave us article V so that the people can change the Constitution when necessary.

The people are now asking us to vote to allow them the opportunity to amend the Constitution. Amending the Constitution is a prescription for protecting the American dream. So this vote that we have tomorrow is referendum in giving our constituents, particularly the younger ones, the right to preserve the American dream. In my view, that is an absolute necessity. It is a very clear choice between responsible spending or losing the American dream and our way of life. I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I rise in strong support of this amendment. I want to pay tribute also to Senator HATCH, Senator CRAIG, and Senator THURMOND, who have been among the leaders on the Presiding Officer's side, and former Senator DeConcini on our side, as well as Senator HEFLIN and Senator BRYAN.

The charge is made that we are talking pure politics. I would be naive if I did not admit there is some politics in all of this. Obviously, BOB DOLE is a candidate for President, and he wants to stress this. I have to say, in fairness to BOB DOLE, this is not a phony position on his part. This is a stand he has taken all along. I am supporting Bill Clinton for President, but I appreciate BOB DOLE's stand on the balanced budget amendment.

To my Democratic friends, if you want to depoliticize it, pass it. To my friends on the other side who are opposed to a minimum wage, you want to depoliticize the minimum wage? Pass it. It will be eliminated from the election. And the same on the balanced budget amendment.

The Presiding Officer is from New Hampshire where in the woods and the trails of New Hampshire, prior to the Revolution, there was talk about ''taxation without representation.'' My latest grandchild is now 2 months old. Nicholas Simon, 2 months old, does not know anything about the taxation that has been imposed upon him. Talk about taxation without representation, that is what we are doing to future generations. Listen to the Democratic platform of one century ago, 1896.

> We are opposed to the issuing of interest-bearing bonds in times of peace.

Incidentally, no other country in history in times of peace has moved from being a creditor nation to being a debtor nation. Not only have we done that,

we have moved from being the No. 1 creditor nation to being the No. 1 debtor nation. It is like moving from Super Bowl champ to the very last place.

We have a lot of Jefferson-Jackson dinner parties. I assume the Presiding Officer has never been invited to one of these. Andrew Jackson said, ''I am one that does not believe a national debt is a blessing but rather a curse.'' Thomas Jefferson was not in the United States when the Constitution was written. He was over in Paris, negotiating for us. When he came back, he said, ''If I could add one amendment to the Constitution, it would be to require a balanced budget.''

It is very interesting, Laurence Tribe, a professor at Harvard who opposes the constitutional amendment, says this in testimony last year:

> Despite the misgivings I expressed on this score a decade ago, I no longer think that a balanced budget amendment is, at a conceptual level, an ill-suited kind of provision to include in the Constitution.

The Jeffersonian notion that today's populace should not be able to burden future generations with excessive debt does seem to be the kind of fundamental value that is worthy of enshrinement in the Constitution. In a sense, it represents a structural protection for our children and grandchildren.

There is, as the Presiding Officer knows, a lot of cynicism toward Government, much more so than in Western Europe, where the taxes are much higher than they are in the United States. I believe a fundamental reason for that is that, with the exception of Israel, no modern industrial State spends as high a percentage of its tax dollars on interest and on defense as does the United States. The average citizen does not see much for that. They do not see much in the defense area. Clearly, we have to spend money in defense. For interest, all we get out of the huge debt is higher interest rates. That is it.

Now, I have heard some of my colleagues say they cannot vote for this because of Social Security. My friends, that is a fig leaf. It would make more sense to say, ''Your astrologer advised you not to vote for this.''

The reality is, this provides more protection for Social Security than Social Security will have without this. Those who say, ''Well, let's make it 2002 excluding Social Security,'' not one offered an amendment to the budget to do that when that was up. Yet, they suggest we should enshrine it in the Constitution.

I, frankly, worked with Senator HATCH in trying to fashion something that over a period of years—and worked with Senator DOMENICI—over a period of years would slide into that, because you cannot do it from 2002 that quickly. That would harm the economy.

It is very interesting that the chief actuary for Social Security for 21 years, Bob Myers, says it is essential for Social Security that we do it. Now, why is that the case? As Adam Smith warned us in ''The Wealth of Nations,'' a classic document, he said that the history of nations is that you keep piling up debt and then you eventually debase the currency.

That is where we are headed—there is just no question about it—as you look at those long-term projections. We are going to keep piling up the debt, and then at some point the order will be made, ''Start the printing presses rolling; we are going to print the money. We are going to debase the currency. We are going to do what the economists call 'monetize the debt.' ''

I get a publication that has a very limited circulation, I am sure, called Grant's Interest Rate Observer. It comes out every week. Here is the most recent. You will be interested in these figures: May 17, 1995, foreign bank holdings of treasuries, $444 billion. May 15, 1996, a year later, $553 billion. It goes up and up and up. And Lester Thurow, the distinguished economist, says the question is not ''if'' foreign governments and people in other countries are going to stop buying our bonds, the question is ''when.'' We have to face up to this.

I heard Senator MURKOWSKI speak just a little bit ago in which he said 18 percent of our bonds are now held beyond our country. In fact, the figure is larger than that because a lot of it is hidden. Many countries prohibit their citizens from buying bonds from other countries.

Just take the 18-percent figure. If you take the $344 billion that is the gross interest expenditure that CBO now says it will be, take 18 percent of that—if my math is correct, I just calculated it here quickly—that is $62 billion that will be sent overseas for interest this year.

Now, there are some who believe if you help the wealthy, it will trickle down and help everybody. I do not happen to believe there is much validity to that. But there sure is not much validity to sending that $62 billion to wealthy people in Great Britain or The Netherlands or Saudi Arabia or Japan. That is not going to trickle down to American working men and women. That just does not make sense.

Mr. President, $62 billion abroad is four times what we are spending on foreign aid. In other words, we are spending four times as much on foreign aid to the wealthy as we are on foreign aid for poor people. That just does not make sense.

The head of the IMF has complained that the wealthy United States goes into the financial markets and raises interest, and poor countries have to pay that high interest. Prof. David Calleo of Johns Hopkins University calls that action obscene.

Now, to the credit of Senator DOMENICI and Congressman KASICH and people in this body who voted to say we will balance the budget in 7 years, to your credit on that side, you led the way on this. I voted for it in the Budget Committee, but you led the way.

Let me say, in all candor, we are not going to have a balanced budget in 7 years unless we have a constitutional amendment. We are putting all the tough decisions in the last years. That is true in the Democratic proposal; it is true in the Republican proposal. Those of us in public life like to do popular things. We need the discipline of a constitutional amendment.

We have great interstate highways today. President Eisenhower proposed issuing bonds to pay for it. A Senator by the name of Albert Gore, Sr., said, ''Let's not have deficit financing. Let's increase the gas tax and pay for it on a pay-as-you-go basis.'' His amendment, fortunately, prevailed. We saved hundreds of billions of dollars. That is what we have to do, put Government on a pay-as-you-go basis.

I heard Senator HOLLINGS earlier today, and I have great respect for him, talking about the need for some changes in our tax structure. Let me tell you, fundamental changes are not going to happen without a constitutional amendment.

I hear people complaining about Alan Greenspan and what the Federal Reserve Board is doing. Our primary problems—and sometimes I differ with Alan Greenspan—but our primary problems are fiscal, not monetary. The $344 billion we will spend this year on interest is 11 times what we will spend on education, 22 times as much as we spend on foreign aid, and twice what we are spend on our poverty programs.

The Concord Coalition—cochaired by former Senator Warren Rudman from the State of the Presiding Officer, cochaired by Paul Tsongas, which also has Paul Volcker on its board—did an economic analysis. The deficit, in the last 20 years, is costing the average American family $15,500 a year in income. I do not know of any families in Illinois or New Hampshire or Oklahoma who would not welcome that kind of an increase. But it takes some discipline to move us in the right direction. We have shown that we do not have it on our own. We need the discipline of a constitutional amendment.

We need to have, real candidly, political cover. We ought to do it on our own, but we are not doing it. We need to go back to whatever State we are from and say that we really hated to cut this program, we really hated to increase these taxes, but the constitutional amendment forced us to do it.

If there is anyone in this body who is not certain how to vote—and there probably is not—I suggest that they look at their children, look at their grandchildren. Forget who you might offend in this body and what they think. Look at those children and grandchildren and simply ask: How do we build a better future for them? If you ask that question, then the vote will be in favor of a constitutional amendment.

I yield the floor.

Mr. INHOFE addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. INHOFE. Mr. President, if I thought, 10 years ago, I would be making this statement, I would say someone is out of his mind. But I have to say now that it comes from the heart when I say this. There is no loss in the history of the institution of the U.S. Senate as great as the loss that will be incurred when Senator SIMON submits his retirement and is no longer in this body. I say that in a very sincere way because Senator SIMON and I have a few things in common, but certainly political philosophy is not one of them. He is a liberal. I am a conservative. But he is very honest about his liberalism, and he is one who puts his priorities first. His statement about his children and grandchildren is very touching indeed.

Mr. President, I think that the vote we are going to be casting tomorrow will be the second most significant vote, perhaps in the last decade, but certainly in this session of the legislature. The first most significant vote happened yesterday when we made a decision in this country not to defend ourselves from nuclear missile attack. It is something I think we made a grave mistake on, because many of the other things are not significant now when you think about the threat that is out there.

What we are going to do tomorrow is certainly significant. I decided that a way to approach this would be to take, verbatim, the arguments that have been made in opposition to a budget balancing amendment to the Constitution and address each one of them.

There are ten arguments. I will read these:

Proponents have refused to lay out a detailed plan to get a balanced budget.

How can you tell if it would be good for the country if you do not know the details? Senator SIMON talked about a figleaf. This is a figleaf. I can remember when we lost this earlier—I guess last year—by one vote, and they tried to kill it in a way that they would not have to vote against it by putting an amendment on called the ''right-to-know amendment,'' which would outline everything that we are going to appropriate, everything that we are going to fund, every tax we are going to increase or decrease, for the next 7 years. Obviously, you cannot do that.

In a minute, I will show you the political philosophy of those individuals who voted for the right-to-know amendment, because those individuals, each one of them, voted against the final bill, and there is a common thread there that we need to look at.

I can tell you what we do know, which is that the status quo is bad—bad for the country. Business as usual cannot continue. We are to the point where we have to make a change. We did not have that luxury last year, or 10 years ago, even though we are working on this as a problem. I will say this. Those individuals who are going to vote against our balanced budget amendment to the Constitution tomorrow are liberals, but they do not go home and campaign that way. They are not politically honest with the people back home on their philosophy. How many times have you heard someone on the stump stand up and say, ''Vote for me and I will increase your taxes, I will increase spending, and I will increase the deficit''? You do not hear it. Yet, that is exactly what happens.

You cannot give a detailed plan as to how it is going to happen. Back in May 1961, President Kennedy decided that it was in our Nation's interest to have a man on the Moon in 10 years. He did not say what was going to happen, or how. He did not map out the details. We could not do it yet because the rockets were not built, the spacecraft was not designed, and the astronauts were not trained. Nobody said how we were going to do it. But we committed ourselves to it, and we did it.

Here is another one, argument No. 2: Proponents want to treat people like children, hiding the hard truth from them.

I can tell you that is not the case. My wife and I have been married for 37 years. We are into grandchildren now. One time, our No. 2 son was out learning to ride a bicycle. He was a very young child. I went out there and pushed him, and he got balanced. Finally, he was able to go all the way around the block. When he came back, he said, ''You know, Dad, I wish the whole world was downhill.''

The whole world is not downhill. What we are embarking upon, if we are successful in doing it, is not going to be easy. It is something that we have to do. We do not have a choice. We are out of time. We all know that the world is not downhill. We have to pedal uphill. It will take sacrifice. But for our children's sake and future generations, we have to do it.

Third is that proponents say they are tired of Washington telling people what to do—the Washington-knows-best mentality—and that the balanced budget amendment is the ultimate Washington mandate.

My response to that is, no, they have it backward. Those who oppose the balanced budget amendment to the Constitution are the guys who have been running this show for the last 40 years, who have created this $5 trillion debt. They are arrogant in saying that we know what is better. Yes; future generations are going to have to pay for this. But that Washington-knows-best attitude is what got us where we are today, that continuing business as usual for all these years. They say that despite the fact that 70 to 80 percent of the people in America support a balanced budget amendment to the Constitution. Why? Because they know that without that fiscal discipline forcing them to do it, we are not going to do it.

I think the public spoke loudly and clearly in the elections of 1994. It was, in fact, a Republican year, and in a minute I will document this and show this to you. A lot of people that are going to be voting against this will not be around much longer. In a way, the balanced budget amendment is a mandate for fiscal responsibility on Congress, and it will not mandate unwanted regulation on the States or the people.

Argument No. 4: All these Governors who are boasting about cutting taxes in their States should know that the balanced budget amendment will require them to impose huge State tax increases.

Well, that simply is not true. I think the Governors know it. The Governors are supporting this. In fact, let us keep in mind that if we are successful in passing this at noon tomorrow, three-fourths of the States are going to have to ratify this. It is not something we can do unilaterally. I agree with the statements made about the sanctity of the Constitution. That is why the Founding Fathers made it so difficult. The States will have to make the decision, and if they think it will increase taxes, they are not going to support it. They know it will not do that. These States that have been cutting tax rates are actually enjoying increasing revenue. History has shown that is the case. You can increase revenue by cutting tax rates. President Kennedy once said, ''We have to have more revenue, and we are going to cut taxes,'' and it worked. Look what happened in the United States of America. In 1980, our total revenues were $517 billion. In 1990, 10 years later, it was over $1 trillion. It doubled in that period of time. That was a period of time when the tax rates took the largest cuts we have had in any 10-year period in history, from the marginal rates. In 1980, it was $244 billion that was derived from income taxes. In 1990, it was $466 billion. That was after tax reductions.

But this mentality we have in the White House and the administration does not agree with that. They do not look at history. They are too smart for that. Laura Tyson, the chief economic adviser to the President of the United States, was quoted in the Wall Street Journal on December 30, 1992.

She said:

> In direct contradiction to the 12 years of Republican ideology, there is no relationship between the level of taxes the Nation pays and its economic performance.

Of course, if you believe that, they just keep raising taxes. We know better. The people of America know better. The balanced budget amendment will require a rate of increase in Federal spending to be slowed down. The States will rejoice when they can do this, and three-fourths of the States have already said it shall be no problem at all in ratifying this.

Three-fourths of the States have a balanced budget amendment to their State constitution. In 1941, my State of Oklahoma had a balanced budget amendment. These same arguments

they are using today were the arguments they were using back then, and it has worked since 1941, and it has worked in the rest of States.

Argument No. 5: The balanced budget amendment is a pig in a giant poke.

I do not know what this means. I do not know that anyone else does. But I would say this: That the real pig in the poke was pointed out to me by someone who called me up. I was called up after that statement was made by a young lady, a beautiful young lady professor at the University of Arkansas, the home State of our President. She called up and had seen that apparently on C–SPAN. Of course, in Arkansas they know something about pigs. They have the Arkansas Razorbacks, and they use the pigs and the hogs and the hogs and the Razorbacks kind of interchangeably. This young lady was Dr. Molly Rapier on the staff at the University of Arkansas. She said the pig in the poke is in Washington—not outside of Washington. It is those individuals who are spending more and more and more and getting to the trough first.

The sixth argument that has been used: The balanced budget amendment will give the politicians license to cut and slash and burn needed programs.

This is the big argument they use to make it appear as if we are going to be slashing Government programs, and then they zero in on either the elderly or veterans or somebody else to make them think that we are going to be cutting programs.

The Heritage Foundation came out with a study. This was conducted by economists and Ph.D.'s from all over the country from major institutions. They came up with the conclusion—this is a couple of years ago—that we could actually reduce and eliminate the deficit in a much shorter period of time merely by putting growth caps on. I called to get an update from them today. They said if we had growth caps on all Government spending of 1.5 percent we would balance the budget in 7 years including the major tax cuts that the Republicans are asking for to stimulate the economy. These are the economists that are saying this.

So we know that this argument is being used, and it is another figleaf, as has been so articulated and presented by the distinguished senior Senator from Illinois, Senator SIMON. I think that it would do one thing, and that it would cause a counterpressure.

A study was made not too long ago about all the people who come to see Members of Congress in the House and the Senate. Over 98 percent of them are in there to get more money for some cause. Some are lobbyists, some are citizens, and some are employees that are in for more money for their causes. So there is nobody out there speaking for that 80 percent of the people who want to reduce the size of the cost of Government. This would do this.

I remember one of the best speeches I ever heard was way back in the 1960's when a great communicator, Ronald Reagan, gave a speech, his first political speech, called ''Rendezvous With Destiny.'' He said, ''There is nothing closer to immortality on the face of this Earth than a Government agency once formed.'' I think we have learned it is true. It is very difficult with the political pressures to cut the size of Government.

The seventh argument is:

> Senators are sent here to make intelligent and well-informed decisions on the people's behalf.

I have heard this so many times from liberals—saying, ''We do not need that because that is our job. We are elected to balance a budget.'' We have not done it. We have proven that we are incapable of doing it for 40 years. So we have been forced to do it.

That is exactly what this would be. This is not anything that is a new idea. Thomas Jefferson said when he came back from France during the development of our Constitution that it could have been improved by having something in there to stop the Americans from going into debt.

I can remember a guy named Carl Curtis from Nebraska back in 1974, Mr. President. I was in the State Senate of Oklahoma at that time. He had an idea. He was a great conservative from Nebraska. He said, ''I know how we can balance the budget.'' He said, ''We can get three-fourths of the States to preratify, and then we could use this an as argument saying this is a mandate from the States.'' So I introduced a resolution in the State senate in 1974, and it passed to preratify the Constitution. It is something that has been around for a long time. It is something that we have an opportunity to achieve tomorrow.

In response to the opinion polls, a statement was made not long ago on this floor by one of the Senators who is opposed to a balanced budget. He said, ''The proponents talk about public opinion.'' Years ago Talleyrand said, ''There is more wisdom in public opinion than there is to be found in Napoleon, Voltaire and all the ministers of state present or to come.''

But this is true only to the extent that public opinion is informed opinion. In the case of a balanced budget amendment it is not informed opinion. I have to tell that very distinguished Senator in all respects that he is definitely wrong.

I would submit that the people of America know that we cannot continue on the road that we are on. I would submit that Talleyrand was exactly right when he said, ''There is more wisdom in public opinion polls than there is. . .''—and to bring it to up today's vernacular, ''. . . to be found in the President, the President pro tempore, and all the ministers of the Clinton administration and the liberal Democrats who are lobbying against the balanced budget amendment.''

Let us keep in mind Talleyrand, who was there during the Napoleon reign, also had another quote which was ''Throw mud, throw mud. Some of it may stick.'' That is exactly what has been happening during this debate.

The ninth argument was:

> The 1990 and 1993 budget deals worked. The way to deal with the deficit is to continue the successful deficit reduction effort for the last 5 years. Since 1990, we have achieved over $900 billion in deficit reduction.

I do not know. There was an article in the Reader's Digest not long ago called ''Budget Baloney.'' They talk about how we are saying things here to make people think we are doing something constructive by eliminating the deficit. The debt has grown and grown during this administration.

I will have to say this. I do not want to sound like I am blatantly partisan. In 1990, when George Bush was President of the United States, he caved in to the liberal Democrats that were controlling Congress at that time, and he agreed to a tax increase. It was the wrong thing to do. I voted against it. I spoke against it when I was serving in the other body with the distinguished Presiding Officer. I can remember being on ''Nightline'' as one of the few people to stand up against his own President because it was wrong. In 1993 when President Clinton had control of both the House and the Senate it was ''the largest single tax increase in the history of public finance in America or anyplace in the world.'' Those are not the words of conservative Republican Jim Inhofe. Those are the words of PATRICK MOYNIHAN who was the chairman of the Senate Finance Committee at that time. But in both cases the results belie the claims of success.

If these two huge, painful budget deals were successful in reducing the deficit, then Heaven help us. Just look at the figures. This is the President's own budget book. Under his plan, by 1998 our debt will increase by $1.1 trillion. These are the President's figures. By the year 2000, $1.1 trillion. That is something that we cannot afford.

The last one that I want to mention is to quote the argument:

> The balanced budget amendment is nothing more than a slogan, an empty promise. Most Senators who support it will not even be here in the year 2000 when it will take effect.

You know the problem is that the Members of Congress who are responsible for creating this burdensome national debt will not be here when our children have to pay for it. It has been said several times on this floor. The Congressional Budget Office figures support the fact that a person born today, unless we change it, will have to spend 82 percent of his lifetime income just to support the Government's extravagance that we are guilty of today.

So let me just mention that talk is cheap. There are those who oppose it. Those individuals who oppose the balanced budget amendment, they are the ones—the same ones as I suggested earlier in my talk. I suggested that those individuals who voted against a balanced budget amendment the last time

and are planning to vote it against it this time, even though they will not go home and tell the people they are going to do this, are the liberals.

How do you know if they are liberals or conservatives? You do it by looking at how they are rated. You do not want to stand up and call people names. There are ratings organizations out there. The National Taxpayers Union rates as to how we vote. If we are big spenders they say we are. Of those 33 individuals who voted against the balanced budget amendment when it was up last time, all 33 voted for the largest tax increase and the largest spending increase in the history of public finance. All 33 of them got either a ''D'' or an ''F'' by the National Taxpayers Union. That is incontrovertible. They are liberals. They will not say that at home. But they are. And I suggest there is something else that is incontrovertible; that is what has happened in the past. Those individuals who were voting for the large spending increases and the tax hike and who received a ''D'' or an ''F'' are the individuals who either were defeated or who retired in the 1994 election.

So I think it is something we need to look at, and I am hoping that those individuals—as the distinguished Senator from Iowa [Mr. GRASSLEY] said, a lot of the Senators who are voting for this because they want to go the party line instead of voting with the people at home better really stop and think about it before noon tomorrow because the people at home are not going to forget.

I can suggest to you that we have had several people who are going to be voting against it who have actually made these statements at home. The Senator from North Dakota, [Mr. DORGAN], said in the CONGRESSIONAL RECORD March 1, 1994: ''This constitutional amendment, no matter what one thinks of it, will add the pressure that we reconcile what we spend with what we raise.'' And he will most likely vote against it. If not, the resolution will pass.

Senator HOLLINGS said, ''I can offer my colleagues 3.5 trillion reasons for a balanced budget amendment to the Constitution. It ought to be a minimal moral obligation of our National Government. So let us debate, pass and ratify the balanced budget amendment. By writing a balanced budget amendment into the basic law of the land, we will compel Washington to do its job.'' That is Senator ERNEST HOLLINGS, March 1, 1994.

Then we had our very, very distinguished minority leader, Senator TOM DASCHLE, from South Dakota, who said on February 28, 1994: ''Too much is at stake for us to settle for the status quo. A balanced budget amendment will provide the fiscal discipline our Nation must have in order to meet the needs of the present generation without bankrupting those in the future.''

I only say that not to embarrass my colleagues because they are all very distinguished, but they certainly had a change of heart between the time they were making these statements and what will happen tomorrow. I am hoping that two out of three of these individuals who made the statement will turn around and remember what they said in 1994 and will vote for it, and we will pass a balanced budget amendment to the Constitution.

Lastly, Mr. President, Senator SIMON talked about his grandson, Nicholas Simon, and I think that is really what it is all about. Kay and I have a bunch of kids, and our No. 3 child, Molly, just last January 9 called me up and said, ''You know, Daddy, I'm about a month overdue, and they are going to force labor today. Would you come over.'' And I was right over there. She said to me, she said, ''Daddy, would you like to come in the delivery room when we deliver Baby Jase.'' Nowadays they peek. They know what it is. Back when we were having kids, they would not let you in the hospital, let alone the delivery room. And so I said, ''Yes, I want to do it.''

I went in there and stood behind the bed, and we made it through this process. It made me appreciate my wife a lot more than I did before. And finally Baby Jase was born, Baby Jase right here was born. This is on January 9. And he had taken his first breath. He was not even a minute old when she handed him to me. She said, ''Daddy, would you like to hold Baby Jase?'' I held Baby Jase, and I looked at him, and the thing that came to my mind at that time was, as we were speaking at that very moment, Baby Jase was inheriting $19,000 as his share of the national debt; that if we do not do something to change it like we are proposing today, if we do not pass this balanced budget amendment, then Baby Jase is going to have to spend 82 to 84 percent of his earnings paying it.

What do you think he did to deserve that? He did not do anything. That is why I say, Madam President, this is not a fiscal issue that we are considering. It is probably the most serious moral issue we have dealt with since I have been in the Senate.

I yield the floor.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER (Mrs. HUTCHISON). The Senator from Alabama is recognized.

Mr. SHELBY. Madam President, Webster's dictionary defines the term ''red herring'' as ''something that distracts attention from the real issue. [From the practice of dragging a red herring across a trail to confuse hunting dogs].''

The reason I share this definition with you tonight is because most of the arguments we have heard in objection to the balanced budget amendment amount to little more than red herrings. The objections, I believe, are simply distractions from the real issue before us.

The real issue before us is that Federal spending is out of control, make no mistake about it, and unless we pass a constitutional amendment to control spending, our children and grandchildren will never know the America we take for granted.

The United States has a current national debt of more than $5 trillion, and based on projections under President Clinton's latest budget it will be more than $6.7 trillion by the year 2000. I have said it before and I believe I will say it again tonight, Madam President: Debtors are never free; they are only subject to the dominion of their creditors. That is the real issue here.

Throughout the debate on this issue, we have heard no less than five red herrings repeated time and again. I ask you to listen carefully as I go through them one by one and explain why they are just distractions from the real issue.

Red herring No. 1 I will share with you. Red herring No. 1: ''The balanced budget amendment would raid Social Security and put the burden of balancing the budget on the elderly.''

Nothing could be further from the truth. The fact is that there is no Social Security trust fund—no Social Security trust fund. The surplus of which many speak is actually a form of IOU. The purpose of the balanced budget amendment is to ensure the solvency of the United States so we can protect the living standards of Americans and pay our creditors. I believe if you truly care about the elderly and clearly understand the issue at hand, I see no other option than to support the balanced budget amendment.

Proponents of a balanced budget amendment know that protecting our Nation's economic solvency will do far more to protect the standard of living of every American than to rely on blatant political halfhearted remedies that, in the end, do more harm than good.

Red herring No. 2 I will share with you. Red herring No. 2 is that ''the balanced budget amendment is not enforceable. The amendment would curtail the authority of and respect for the U.S. Constitution.''

Again, there is no truth in that. The amendment speaks for itself. Section 2 of the amendment requires a three-fifths vote to increase the debt ceiling. If you consider that insignificant, I ask you, why do we vote every year to increase the debt limit? Why does the President submit his budget by the first Monday in February every year? Neither of these procedures are identified in our Constitution. Indeed, these budget procedures are based on statute.

As U.S. Senators, we are obligated to abide by the law. To suggest that Members will arbitrarily disregard the Constitution at best undermines the role Congress plays in our participatory democracy.

Red herring No. 3 I will share with you. What is it? They say, ''The balanced budget amendment will have dire consequences on the elderly and the children.'' Nothing could be farther from the truth. Again, on the one hand,

the opponents of the constitutional amendment to balance the budget will say that the balanced budget amendment will lead to draconian cuts in very critical programs. According to them, every old person, young person, and poor person will be hurt by balancing the Federal budget. But, red herring No. 2 claims that the balanced budget amendment is not enforceable. No amendment will be able to force the President and Congress to balance the budget. Who is going to sue them, they ask?

Which is it? Are we going to experience draconian cuts or are we not? The arguments against the balanced budget amendment contradict each other, they say. Since the logic is inconsistent, opponents will try to paint a dreadful picture to the American people, hoping this will elevate opposition to the balanced budget amendment.

I have a frightening picture I would like to share with the American people. Imagine a day 30 years in the future as your children are planning to retire. They have worked all their lives, spent frugally, and saved religiously. Yet the Federal Government has continued to run massive budget deficits, piling up an unconscionable amount of debt. One day your children wake up and find that the rest of the world no longer believes that the United States is able to meet its financial obligation. Thus, the value of the dollar crashes in financial markets. The Federal Reserve cannot stop the falling dollar. And, in response, the Treasury prints money. Suddenly—yes, suddenly—your children's assets are worth half of what they were a day before. Inflation is rampant and we are reduced to a Third World country. Everything your children have worked for has been taken from them because some Members of this body did not think that addressing the debt was important.

We know it is important. In order to pass the America we know on to our children, we must restrain ourselves from passing our bills on to our children and to our grandchildren.

Red herring No. 4. You have heard this. The opponents say, ''The balanced budget amendment is just some popular idea we are voting for, brought about by the Contract With America. We need time to think about a balanced budget amendment.''

Do we? The fact of the matter is that the balanced budget amendment is not a new idea at all. It has been debated right here in the U.S. Senate. One of Thomas Jefferson's well known sayings is, ''If I could add one amendment to the Constitution, it would be to prohibit the Federal Government from borrowing funds * * * We should consider ourselves unauthorized to saddle posterity with our debts and morally bound to pay them ourselves.''

In 1936, Congressman Harold Knutson of Minnesota proposed the first constitutional amendment to balance the budget. Since then, a number of balanced budget amendments have been proposed. We have held hearings as far back as 1979, and even voted on the amendment. Indeed, the issue has come up several times since then. Several of the Senators opposing the balanced budget amendment today have been around for many of those debates. The balanced budget amendment is not a new idea. We know the issue all too well. We are not rushing to judgment.

Red herring No. 5, that I will share with you. The opponents say—we do not believe it, but they say: ''Federal accounting does not allow for capital budgeting. Federal accounting would throw chills down the spine of any business executive.''

Trying to confront the arguments against the balanced budget amendment is like following a bouncing ball. When they are defending Social Security, the books are fine, they are in surplus. However, when we discuss the tremendous deficits and debt of the United States, the Federal accounting is somehow inept. Once again, there is an inconsistency in the opponents' reasoning. If you maintain the argument that Federal accounting is flawed, then one must take another look at the books of the Social Security trust fund. The bottom line is there is no fund, there is no surplus. According to accounting rules used by business executives, liability exceeds assets. By definition, that is not a surplus.

In addition, I hear analogies being made between the Federal budget and the homeowners who enter into substantial debt when they purchase a house. The difference is that homeowners do not buy a house this year, next year, and the year after that. A homeowner pays down the principal each month, each year. The Federal Government, on the other hand, never gets to this point because it has to borrow just to pay the interest. It is a perpetual problem that all of us are familiar with, that feeds itself.

The balanced budget amendment opponents have used every red herring imaginable, hoping just one of them will distract for a moment the American people from the issue at hand. But the fact is, Madam President, the trail of debt now tops $5 trillion, as I said earlier. The red herrings of a balanced budget amendment will not convince anyone on Wall Street or Main Street. The hunting dogs were not confused. The time has come for a balanced budget amendment to the Constitution of the United States of America if we are going to save anything for our children and our grandchildren.

I yield the floor.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Madam President, I note a little over a year ago this body rejected this proposed amendment. A great deal has happened since then, but none of the fundamental flaws of the joint resolution have been corrected. It still raises serious problems related to the role of the courts and the power it might confer on unelected judges to set our national budget policy. It remains a serious and real threat to Social Security. It continues to risk expansion of Presidential impoundment authority.

Madam President, all of these faults are still there, they still remain. But there have been significant events in the last year that do bear on the proposed constitutional amendment, and they go to the very heart of the arguments put forward by the proponents of the constitutional amendment.

The central reason offered by the proponents of the amendment is that without this constitutional mandate we will not balance the budget. That argument was appealing but ultimately unpersuasive a year ago. It remains unpersuasive today.

Prior to the vote in 1995, President Clinton and the 103d Congress had just finished cutting the deficit in half—the first time for 3 years in a row that the deficit had gone down, and not just by a little bit, but by half. The effects of the deficit reduction package we enacted brought the deficit down from what would have been nearly $300 billion in this fiscal year to what is now projected to be $145 billion, or even, based on the very most recent estimates, $130 or $120 billion. In far less than just one Presidential term, what would have been a $300 billion deficit is now something in the range of only $125 or $130 billion. It is a tremendous achievement in the right direction, one which I bet almost no one would have predicted could have happened in this short a time.

We were clearly on the road to balancing our Federal budget. Since that time we have seen a number of different balanced budget proposals offered by Republicans, and then others offered by Democrats, and still others offered by bipartisan coalitions. Of course, the President has become the first President in many decades to submit a budget that is actually balanced. All of those plans were drafted without the presence of a constitutional mandate. In fact, I firmly believe those plans would not have been proposed and would not have been forthcoming but for the failure of either party to find political cover in the adoption of a constitutional amendment. Without the ability to hide behind a lengthy, multiyear ratification process, this Congress had no excuse. The Congress, in effect, by not having a balanced budget amendment being considered by the States for several years, is really being forced every day to try to live up to all the rhetoric that has spilled on this floor in the name of balancing the budget.

I proposed a specific plan to balance the budget in 5 years when I was running in 1992, and I am especially pleased to be able to say that several dozen of the provisions of that plan have already been enacted into law in some form or another. They are part of the progress that we have made in reducing the deficit by more than half

since 1992. I will continue to push individual provisions from that balanced budget plan, as well as add other ideas to it.

Madam President, I believe a majority of both Houses strongly supports a balanced budget and is willing, even today, to set aside partisan differences to accomplish this most important of our economic goals. But that is not what this proposed constitutional amendment is all about. What the proposed constitutional amendment is about, or at least the idea of having this vote at this time, tomorrow, is all about, is politics.

Does anyone doubt that the outcome of this vote will be any different than the vote taken last year? Nobody has said that on either side. Then why have we returned to this issue right now? The answer is clear. This vote is being taken for purely political purposes. The drive for the constitutional amendment in my view has largely been political from the beginning.

We should not be shocked by that. Congress, by its nature, is a political institution. That is understood and to be expected in such an institution.

What is disturbing, though, Madam President, is the willingness of some to risk our Constitution in this manner to gain temporary political advantage. The so-called balanced budget amendment is only one of many constitutional proposed changes. Too many of them, I think, are again for largely political ends. I think each of them is unnecessary; some of them are grossly irresponsible.

As I noted earlier, the call for this constitutional amendment certainly cannot stem from the lack of discussion and effort and consideration of the issue of balancing the budget. There are a sufficient number of plans to do that now, and though the plans do have some significant differences, I think there is a broad middle ground on which a consensus plan that achieved balance could be enacted.

No, Madam President, for a majority of the supporters of this proposal, the constitutional amendment is more of a political device, pure and simple. It is one of a series of political statements that is repeated over and over that those folks hope will gain them the advantage with the voters. How else can one explain the almost incredible contradiction of voting for a constitutional amendment to balance the budget and saying that is your top priority and then at the same time insisting on the fiscally irresponsible deficit increasing tax cuts?

As I have noted previously on the floor, we are in the middle of a stampede of proposals for tax cuts: Gasoline tax cuts, adoption tax credits, a whole slew of new business tax cuts, apparently tacked on to the minimum wage bill in the other body, and, of course, a $122 billion tax cut in the current budget resolution which was passed by this body just prior to our recess.

The chairman of the Budget Committee in the other body was purported to have suggested the tax cuts provided for in the tax resolution might even total $180 billion. Let me note that not everyone who supports this proposed constitutional amendment has advocated these tax cuts, in fairness. Some of its advocates supported efforts to strip the $122 billion tax cut from the budget resolution and instead dedicate the savings toward deficit reduction. But, unfortunately, Madam President, those people who both supported the balanced budget amendment and were willing to forego the tax cuts—a consistent position—were just too few in number.

The overwhelming majority of those who support this amendment to our Constitution have consistently supported tax cuts over deficit reduction when it came to a vote last month. And I have said it many times on this floor, and I will say it again: What is wrong with that? What is wrong is that you cannot spend a dollar twice. You cannot spend it on deficit reduction and spend it on tax cuts. You can only spend it once, but the folks who say they want the balanced budget amendment and want tax cuts want you to think you can spend it twice, and you cannot.

The overwhelming majority of those who support this amendment to our Constitution also supported the absurd parliamentary ruling that endorsed the special reconciliation rule for a measure that is intended not to reduce the deficit—not to reduce the deficit—even though that is what supposedly the budget resolution is about, but to increase it by having more tax cuts when we cannot afford them.

Madam President, I will make the following not very bold prediction: Before the summer is out, an overwhelming majority of those who support this amendment to the Constitution will be leading the rally behind a massive tax cut plan that will be even larger than those we have seen today. The tax cut frenzy is only beginning to gather steam. There is only one plausible explanation for that inconsistency, and, gee, it looks a little bit like political expedience.

For the sake of avoiding a politically difficult stand, the overwhelming majority of those who support this joint resolution will accede to only what can be called, in my view, a reckless tax cut plan that severely undermines the very goal they maintain requires this new constitutional protection. Of course, there will be economic gymnastics to accompany a tax proposal, and we will all be told that plus is minus, that up is down by the same crowd that helped us get into this fiscal mess in the first place with trickle-down economics. And I suspect that because they desire a political victory here, some will actually come to believe their own rationale, despite the clear evidence that it did not work before.

A little over a year after failing to get sufficient support for the proposed constitutional amendment, the supporters of the joint resolution will, once again, get what they desire, and that is a vote, a vote they can use for political ends, promoting themselves or attacking others. The age of the 30-second television commercial and the 2-minute news story really does reward this kind of gesture. We all know it.

If you say you are for a balanced budget amendment, a lot of people think you are saying you have come up with a plan to actually balance the budget, even though the two things have very little to do with each other. It has spawned dozens of constitutional amendments, and it will produce more. We may live in a political world in which it is uncomfortable to do the right thing, but, Madam President, I do not think we were elected to be comfortable.

Our Nation's Founders wisely incorporated the two-thirds threshold to protect against just this kind of politically motivated abuse of our Constitution. I earnestly hope that one-third plus one in this body will tomorrow and in the future continue to have the political will necessary to stand up for that great document and give the American people the kind of Government they truly do deserve: a Government that is focused not on short-term political expedience but on the long-term solutions to our problems and, in particular, the true effort to do what we can and should do here without sending this to the States, and that is a topic and priority of our country to balance the budget within the next very few years.

I yield the floor.

Mr. SMITH addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. SMITH. Thank you, Madam President. A famous President not too long ago, Ronald Reagan, said, ''Here we go again.'' Here we go again, back with the same debate we heard last year in November, that somehow we do not need a balanced budget amendment, because all we have to do is balance the budget, show the political will, get the job done, make the tough decisions. That is what we hear over and over and over and over.

As has been said all day in this debate, the truth of the matter is, in spite of the rhetoric, the political will is not here, and it has not been here, which is why we must have the amendment.

I have just been fascinated, since I had the opportunity to be around the floor for the last couple of hours, both as a presider and just listening, to hear some of this rhetoric regarding the balanced budget amendment, the number of excuses as to why we do not need the amendment. It is incredible. There is one right after the other: We do not need it; it is unnecessary; we can balance the budget, make the tough decisions; just need the political will.

Yet, when it came down to doing it, we put a balanced budget on the desk

of the President of the United States and he vetoed it. We have not been able to get a balanced budget passed. So we need the amendment. It is as simple as that.

When the balanced budget amendment was before the Senate in 1995, we were told then that an amendment to the Constitution was not necessary, as we had been told many times before, if Congress did its work. Congress is not doing its work, and, therefore, we need the amendment.

It is interesting as to just what this amendment does. I think the American people should understand, and it has been said on the floor before, but we are simply asking people to vote tomorrow to let the States and the people decide whether they want to amend the Constitution of the United States.

No amendment passes here tomorrow. We do not have an amendment if the Senate gets 67 votes. That does not happen. What happens when we vote here tomorrow is that this will then go to the States where three-quarters of the State legislatures would have to agree.

That is all we are asking to do. We are simply asking this Congress, who at times appears to have this know-it-all attitude, to send this back to the States. Let the States decide whether they want to amend the Constitution. If they say no, there is no amendment.

I campaigned for a balanced budget when I first ran for political office in 1980. The national debt was nowhere near $5 trillion then. And 16 years later—16 years later—we are still debating the proposal, trillions and trillions of dollars added to the debt since that time.

To hear the rhetoric in here, you would think it was not important, it did not matter, we do not need an amendment. Why would anyone like myself and others devote more than a decade of time to fight for this balanced budget amendment or to fight for a balanced budget, either one? The answer is very simple.

I am going to take a different approach here. We have heard a lot of speeches today. If some people have listened all day, they have probably heard a lot of things repeated. I am going to take a different approach. This is going to come from the people, not from this Senate, not from this Senator, not from some bureaucracy in Washington. I want to say what impact this amendment to the Constitution will have on the people of this country, ordinary men and women, all over America. I want everyone to know what balancing the budget will do to their lives, the lives of every single American man and woman in a very real and very tangible way.

The Senator from Oklahoma, Senator INHOFE, had a picture here of his grandson on the floor moments ago. That child has an $18,000 debt today. There will be hundreds of children born here in America during my remarks on the Senate floor today. Each one will be born $18,000-plus in debt. That is their share of the national debt. Is that fair? Is that fair to that child? Is that fair for us to do that?

I was listening very carefully to the Senator from Wisconsin a moment ago. Is it really so unfair of us to ask that the people who are suffering the brunt of this debt have the opportunity to say whether or not they want an amendment? Is that so bad? I cannot understand why those with this know-it-all attitude in Washington would take that position.

Again, I repeat, no amendment becomes an amendment because we vote for it with 67 or more votes tomorrow. All we are asking is that that little child who really cannot vote yet that the Senator from Oklahoma referred to moments ago, through his family, have the right to say through their State legislature in Oklahoma and 49 other States whether or not they want to amend the Constitution because the politicians are not getting the job done. That is all we are asking. It is very clear that we understand that. That is all we are asking.

I just announced recently for reelection to the U.S. Senate, a great honor. My seat in this Senate does not belong to me. It belongs to the people of New Hampshire. Right over there on the floor—I am not using it at this moment—is Daniel Webster's desk. Daniel Webster's desk is one of the few original desks in this Senate Chamber. I often speak from it. I often write on it, write letters to constituents on it. I think about the fact that I am just a temporary steward at that desk, just a blip on the radar screen of eternity. That is all we are.

Sometimes we think that we are a big deal in here, we are in the U.S. Senate and we are very important people. But you know, in the scope of things, we are really not all that important. In the radar screen of life, of eternity, we are a blip, a very small blip at that.

Daniel Webster stood at that desk on the floor of the U.S. Senate in the old Chamber and gave some of the greatest speeches of all time. Webster and Calhoun and Clay were some of the great orators. He stood at that desk. But, again, Daniel Webster was a blip on the radar screen of eternity.

So we have an obligation. We are only here a brief time. But think about what we are doing to the children and the grandchildren and their grandchildren. The distinguished Senator from Illinois, Senator SIMON, who spoke while I was in the chair, gave a very eloquent speech. He said in jest, the Senator from New Hampshire probably had never been invited to a Jefferson dinner or a Jackson dinner because they were usually chaired by the Democrats, who obviously look at Jackson and Jefferson as heroes. I look at Jackson and Jefferson as heroes. I am not a Democrat, but I would not hesitate to go to a dinner honoring Jackson or Jefferson.

But this party that leads the defeat of this amendment is not the party of Jackson and Jefferson, I can assure you. Jackson and Jefferson would be for the balanced budget amendment. Jefferson already, early in his life, right after the Constitution was formed and written and the Government was formed, spoke out saying he felt it was a mistake that we did not have an amendment to balance the budget.

So I am often asked what is it like, what I do like the most about being a U.S. Senator. Boy, I could say a lot of things. I have met Presidents. I have met foreign leaders. I walk around here with some of the great Senators of our time. You can really get an ego about that if you want to, but I do not. I really do not. You know, without hesitation, when I am asked that question—and I am asked it often—I say every time, I like being a Senator because I enjoy helping people. That is the truth.

We get a chance to help people get through this maze of bureaucracy, whether it is an immigration case or perhaps some other matter where somebody is having a tough time with the Federal Government, perhaps a veteran or whatever.

I think about what does that have to do with this debate on the balanced budget? We can help people. We can help people by balancing this budget more than a million cases that we might resolve in our offices, more than 10 million cases that we might resolve in our offices. We can help the American people, like little Jason, whose picture was on the floor here with Senator INHOFE a moment ago, and millions of others, men, women and children, because the Joint Economic Committee estimates that a balanced budget would create 4.25 million jobs, new jobs in America, upon its passage.

That is 4 million people working, 4 million people feeding their families, not on welfare—obviously, taken off welfare if they were on it—providing revenue to the U.S. Treasury, to provide funds to do something good, hopefully, for someone else. That is 4.25 million new jobs if we pass the balanced budget. Those are not Government jobs, my colleagues. They are not here in Washington. They are jobs all across America as a result of the spurt in economic activity that would occur because that amendment passed.

The American people do not want a Government handout. They never have. They want to work hard. They want the opportunity to earn a decent living and be left alone. ''Leave us alone. Let us earn our way through life. We don't want you to give us handouts. We want you to get out of the way. You are here to protect us, to defend us. And you're not protecting us and you're not defending us when you run us into debt and you give it to our children, $5 trillion.''

That is today. If you think of debt today as a hockey stick, the first 200 years of our Nation was the toe of that hockey stick, and the next 10 or 15

were the handle of the stick. It goes up like this. Then the next 10 or 15 we are going to go so far out of the way, $10, $15 trillion, that, as others have already said many times today, we will file the equivalent of chapter 11, bankruptcy. It will happen. Then what happens to our grandchildren?

The debate is about our grandchildren and their children. It is about simply asking those young folks and their parents and relatives to have the opportunity to vote through their legislatures to pass or reject a constitutional amendment. That is all this debate is about on the Senate floor. Anybody who says anything else is simply not accurate.

What else does a balanced budget do for those people out there who work, those whom we represent? How about our sons and daughters who go to get a good education in college? I have a daughter who just graduated from Lafayette College in Easton, PA, on May 19. The cost was roughly $100,000 in 4 years.

In higher education, whether it is public or private, it is not cheap, obviously. It is going up.

Now, think about those 21-22-23-year-olds who earned their diplomas last month, or perhaps a few this month. Many of them are facing, today, an uncertain job market. Why is it uncertain? Because of the fiscal irresponsibility of this Government, for one thing. I have already mentioned how a balanced budget can help in their job search because we can create another 4.25 million jobs. Maybe they would get one.

Assume for a moment one of the graduates is fortunate and finds a good job, and he or she probably has a few student loans that need repayment. Lower interest rates from a balanced budget would save on the average 10-year student loan for a 4-year private college, an average figure, a 10-year student loan, get the loan for 10 years, going to a 4-year private college, if the budget were balanced, the lowering of interest rates that would occur from balancing the Federal budget would save that recipient of that loan nearly $9,000 in that 10-year loan—$8,885 to be exact. When the American people are told about cuts in education or informed of a new proposal to provide a $1,500 tax credit for tuition, they should take the news with a grain of salt. The President vetoed a balanced budget that would reduce student loan costs by $9,000. That is what he vetoed. To atone for the veto, the President then says we will give everybody a $1,500 tax credit so they can go to college. If these kids paid off their student loan, and they could pay them off faster with $8,000 or $9,000 less, there is more money available to the student loan pot to those coming along.

Bill Cosby, in a graduation speech at my daughter's graduation, said, ''Pay off your student loans.'' That was his advice. Pay off the student loans. If you do, others will follow you and they will have the opportunity to get an education. If you had $9,000 less in interest on those loans you could pay them off a heck of a lot faster. That is what the balanced budget amendment means to them.

A balanced budget will do more for education in America than any tuition tax credit, any Government loans, or, frankly, Goals 2000. It is 9,000 bucks in the pockets of that young man or woman, just from passing balancing the budget.

I used to be a schoolteacher. I think I know about education. I was a schoolteacher, a school board member, and a father for 21 years. I think I know a little bit about education. Do not take my word for it. Ask any students who graduated a few weeks ago and they will tell you the same thing. A balanced budget will dramatically improve the lives of those young men and women who are just getting started in life.

That is why we were elected, to help people. This helps people. This is not a vague, opaque kind of mysterious concept we are debating here on the floor of the Senate today. This affects every man, woman, and child in America directly. There are many families in New Hampshire working two or three jobs just to make ends meet, as I am sure there are in Oregon, Texas, and everywhere else. They do it to put food on the table and pay the mortgages. The mortgage payment comes due every month, rain or shine, sickness or health. It is the largest bill most Americans ever pay. Think about this for a moment. That is the biggest line item in your entire family budget other than the money you pay to the Federal Government in taxes.

A family in New Hampshire with an $80,000 mortgage, and you can put this in any other State, $80,000 mortgage, would save $107 each month—each month—if the Federal books were balanced. Over the life of a 30-year loan, that family would save $38,653. Now, if someone could tell me what Government program or what act we could take here on the floor of the Senate today that would provide $38,000 in the pockets of the American people, better than that, I would like to know what it is. That is the positive spinoff of balancing the Federal budget—helping people.

Again, we are talking about dramatically improving the lives of people, not just residually, dramatically helping improve the lives of the American people with a balanced budget. What Government program could do as much for the American family as a balanced budget? AmeriCorps? I do not think so. Funding for the arts? Peanut subsidies? I am afraid not. Battling the budget is what we need to do. That helps people.

Madam President, there is another point that is often lost in this debate. The question before the U.S. Senate is whether or not we should send this budget to the States for ratification. Amendments to the Constitution are not just sent down Pennsylvania Avenue for a Presidential signature or for a veto. I alluded to this earlier but I want to say it again, they are sent to all 50 States, 38 legislatures, three-quarters of them must pass identical language, identical language, before this amendment becomes a part of our Constitution. Should the decision be made in Washington, DC, or Concord, NH, or Butte, MT, or wherever else—how should that decision be made? Where are the families sitting around the table? It is not here on the Senate floor in Washington, DC, where they are working their budgets out and worried about how they will make their payments. It is in the small towns and cities all over America, where families live and work and try to earn a living and want the Government to help them, but to stay out of their way.

The balanced budget amendment is not a debate about accounting. It is not a debate about politics. It is not a debate about anything except real people. That is what this debate is about. What you have to ask yourself when you come down here on the floor tomorrow to vote, you have to ask yourself three or four major questions: If I vote ''no'' on the balanced budget amendment, do I help the college graduate struggling with student loans? Do I help him or her? The answer to that question is, no, you do not. You hurt them. Second, do I help the single mother who is having trouble with her mortgage payment? The answer is, no, you hurt her. I have heard people on this Senate floor on the other side of the aisle talk about their compassion for single parents and the difficulties that young women with children at home have as they try to go through life working and taking care of those children. I had a single mother because my dad died when I was 4 years old. I know what it was like. Believe me, I know what it was like for her. And it was tough. I know what it was like, and I know how much that would have meant to her to have that much more money in real income in her mortgage and perhaps to help me with my college loans had she been able to have a balanced budget.

Do you help create a job for a laid off mill worker if you vote ''no?'' The answer is no, you do not. You insure that he or she will probably be laid off a little bit longer. There is no compassion there. Do you let these people and their elected representatives in the States have the opportunity to debate the merits of amending the Constitution? Do you allow them to have that opportunity? The answer is no, you do not if you vote ''no.'' You say, ''I am sorry, we do not want you to have that opportunity. We don't want it to leave here. (A) we do not want to balance the budget; (B) we do not want to help people; and (C) we do not want you to have the opportunity to talk about that in your State legislature.'' That is what you say when you vote ''no.''

What do you really say, though? Here is what you do say: Washington knows

best. We have all the answers here. We can get 66 votes or less and we can beat you and you cannot get the opportunity to vote in your State.

My colleagues, in conclusion, the choice is very clear. There has been a lot of emotion on the floor here these last few hours, but the choice is very clear. You want to help people? You want to really help people without a Government handout? Vote for this constitutional amendment to balance the budget because it will not get done, the budget will not be balanced without it, and you know it. I yield the floor.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BURNS. Madam President, we have all listened with a great deal of interest all day as this debate has gone on. We look at it from different angles, I guess. There are some of us who come to this body and engage in this debate, and we take a look at the world from different angles. I happen to look at it from the bottom up. I have been pretty much one of those people at the working end of the American spectrum, I guess. I came up the hard way. You know, for once, I had an idea that this year maybe common sense would prevail. I really had hopes of that. I am not a lawyer, not highly educated.

When you think about how simple this little debate is, it is just about sending an idea to be considered by the people who live in our respective States. That is all it is about. It is not about pain, or hurting, or what we are going to do. If we had a constitutional amendment that said we have to balance the budget, do you think it would cut down on the little squabbles we have in our debates on the budget? No, I do not think so, because everybody has a different set of priorities. But the idea is just to send it to the States, to let America take a look at it, and to let the citizens turn over in their own minds whether we need an amendment to force Congress to balance the budget.

You know, Americans watch us every day, and folks at home say, ''Why do you not get along better up there?'' ''Why do you have these heated debates?'' I guess I have listened to the Senator from Arkansas and his speech regarding mining. I have listened to that for 7 years now, almost 8. It never changes. And some who do not really understand the issue sometimes get confused. As we talk about this issue, this issue of a balanced budget—and, remember, it is no sin to oppose it. In fact, it may be good that some would oppose it because that adds something to the debate. You have the right to oppose, but you do not have the right to distort the facts.

We are talking about passing a proposed amendment to the Constitution of the United States and sending it to the States for ratification. My friend from Illinois had it right. As Americans watch us, he said, ''Do it.'' Do we have the courage to do it? We have heard all of the arguments. Of course, if common sense is not going to take over, then we have to argue another end of it. Basically, I kind of come from the philosophy on taxation that, yes, a certain amount of Government is needed and desired by most Americans—in fact, I would say all of them. But we still have a responsibility to that earner to allow him or her to earn more and to keep more so they can do more for themselves and their communities. I do not have the right to jerk the future away from young people.

I have a daughter that will graduate from medical school a year from right now. I do not have a right to jeopardize her future to practice her profession. I have a son that has the same kind of a future—a very bright future. But I, as a legislator or citizen do not have the right to jerk that future away from him. Do you know what? I do not think anybody else does either.

You have the right to oppose this amendment. You do not have the right to distort. Last year, Congress passed a budget that would have balanced in 7 years. President Clinton vetoed it. In fact, in order to avoid a balanced budget, he forced a shutdown of the Federal Government—not once, but twice. Congress was finally able to pass the budget for the year, but it fell short of its goal and did nothing, fundamentally, to change the way Government spends the hard-earned money of our citizens.

Eighty percent of Americans favor a balanced budget amendment. And the country is watching right now, this week, to see if this Congress caves in to the President once more. More than any other piece of legislation that we vote on this year, this constitutional amendment will have the longest and the most lasting effect that we will do in this 104th Congress. So I stand here as a supporter of it and ask my colleagues on both sides of the aisle to take a look. Just think, and use your good old common sense, and do the right thing.

President Clinton proved one thing last year: One man can stand in the way of real progress, and he can stand in the way of real reform. Last year, the President pressured six Democrats, who already voted for the amendment in previous votes, to kill the amendment when we had a chance of passage. One vote. It proved that he alone was the man that stood in the way of success.

Ironically, President Clinton used to support a balanced budget amendment to the Constitution. In 1985, when he was a Governor, he boasted about his work with the National Governors' Association, and he said, ''The NGA is on record in a resolution as supporting a constitutional amendment for a balanced budget, something Republicans could never have passed without the help of Democratic Governors, and I was one of them.'' He referred to his own State's constitutional requirement to balance the State budget as his own salvation.

Now, does the President want a balanced budget? He says he does nearly every time he is asked. But I am wondering if his words are supporting his actions. But irrespective of that, do we, as Members of this Congress—irrespective of what the President thinks—do we have the courage and do we have the discipline to pass this amendment and send it to the States?

Well, as I already mentioned, the President rallied the Democrats in Congress to kill the balanced budget amendment last summer. On top of that, only one of the record five separate budgets that President Clinton submitted to Congress even came close to balancing the budget. He vetoed the Republican budget and shut down the Federal Government, not once but twice, and the Republican budget would have created balance by the year 2002.

Is it not ironic today, when we turn on the television and there are the trustees of the Medicare trust fund saying that we were wrong last year in saying that the trust fund will be completely out of money by the year 2002. We were wrong. It is going to be out of money in 2001. We have heard Senator after Senator stand on this floor and say, ''We can take care of it, and we do not need all of these draconian, these extreme measures,'' when actually we were allowing the trust fund to grow at around 7 percent a year. They called that a cut. This is the only town in America where that can happen. And because we did not have the nerve to deal with that situation a year ago, we are now a year behind in taking actions to make sure that the Medicare trust fund is solvent, is strong, and will be there for generations to come. Some chose to stick their heads in the sand and ignore the problem.

If that sort of makes you a little bit mad, whoever is listening and watching, it is supposed to. We did not do our responsibility last year when we were told by the same set of trustees, three of which work for the President in his administration as Cabinet Secretaries—yes; they were on the television today telling us that we are in deficit spending now, and we will continue to be and will be broke and out of money by the year 2001. Despite the President's action, the public debate about the balanced budget has been won.

Look at the polls. Look at the polling. One says that if you love this country, there are two kinds of freedoms, and the basic of all is economic freedom, because there can be no political freedom unless we have economic freedom under our system. We can change the system and all be ruled by a benevolent ruler. Even he operates the Treasury, and we all become servants and subservient to an all-powerful being.

I think when our forefathers put together this great Constitution, I will say that as the debate went on, they would probably, the American people, if that had been televised, they would

have been a little bit cynical about Government then, because there were some great debates.

What did our forefathers do when they put together the Constitution? I will tell you. They probably did not have the great vision of seeing America as it is today, but they had a very, very strong sense of history. And if we learn anything in the study of history, it is that those who forget it are damned to repeat it. When we revive history to make it suit our own taste or to be politically correct, then we are tinkering with the compass because we are going to make some decisions based on history.

Those forefathers were products of a feudal system. They knew that in order for ''free men''—two words—to survive in self-government, it took about three things. It took education, it took discipline, and also it took those who studied history and do not forget it.

I ask my colleagues by voting for a balanced budget amendment now, we are taking one of the many steps that is needed in order to secure a stable future for our children. We do not do anything in this body for immediate action. Maybe some of us do. We cast votes that make us feel good. It is not always good for the Nation, but it makes us feel good. Look what we have done. We do it because the effects of our action here come many, many years later. It is the foundation that was laid by our fathers and our grandfathers that enabled us to do the things today, what we have to do, and we have to protect that heritage and that great history, and pass it on to the next generation. We cannot continue to have runaway deficits and accumulate mountains of debt and expect to remain competitive and financially solvent in today's global economy.

So we stand in support of a balanced budget. It is even more important today. Just think of the technology that we have today—three little inventions, three little inventions that have, in comparison, or relative to this building, brought the world down to the size of a basketball. We can talk and interact with anybody in any other place in the world, wired or wireless, in 5 seconds. Those three inventions are the transistor, the jet engine, and the silicon chip. It changed our whole life. We cannot go back to the old days. We cannot do it. And the only way that we stay a leader in a global economy is if we stay economically solvent.

No other nation has the potential of leading the rest of the world than this country, the only superpower that is left. Yet, we would allow the power to be eroded by not being careful with our funds as we should be. Just because we have a balanced budget amendment does not mean that we are not going to have—my good friend, the Senator from Florida is on the floor, and he is going to have different priorities than I have. He just is. We would expect that, but we can work them out when both of us know that we have to solve problem No. 1 on the ground, and it has to be solved within certain parameters.

My heavens, common sense may take over. Who knows? Sometimes in this town, though, they say there is a vaccine for that. It is called Potomac water.

So I support the balanced budget amendment. I urge my colleagues to support it just from the standpoint that it is like good old Quaker Oats; it is the right thing to do.

Mr. President, I yield the floor.

Mr. BRYAN. Mr. President, I support a constitutional amendment to balance the Federal budget. It is a sound and necessary approach to solving the severe fiscal crisis that is beginning to plague this country year after year.

I believe that the force of a constitutional amendment is needed to mandate an end to profligate spending decisions that have hijacked the economic growth and security of this Nation over the past quarter of a century. Each year, when elected officials debate the Federal budget, responsible spending decisions are buffeted about by the winds of political rhetoric. There is no final arbiter to insure that sound economic decisions are made in the best long-term interest of the country. We need this constitutional amendment to force us to take the proper steps to repair and preserve the economic superiority of the United States of America.

Mr. President, I am concerned about the future of this country, and about what failure to balance the budget today can do to burden the lives of our children and grandchildren tomorrow.

For example, there have been a number of balanced budget proposals proffered in just the past year. The President has offered balanced plans, the House and the Senate have created their own balanced plans, and last week a bipartisan group of Senators offered yet another balanced budget plan. And yet, with all of these alternatives and professed commitment to a balanced budget, the Congress and the President have been not been able to reach agreement on a single one of them. Perhaps we need the force of the Constitution of the United States to give us the courage to stand up, take responsibility, and make the tough choices that balanced budgets require.

Our burgeoning Federal debt is the greatest crisis facing our Nation today. It is devouring our savings, robbing our ability to invest in infrastructure and education, and saddling our children with an enormous bill that will eventually have to be paid. The interest payments on the debt consume dollars that could otherwise go for urgent needs such as infrastructure and education.

In 1980, the cumulative Federal debt was $910 billion. A decade later the debt had tripled, and today it stands at $4.9 trillion. Simply limiting the Government's ability to borrow is not enough to achieve deficit reduction or to control the compounding interest on the national debt. According to the Congressional Budget Office, ''significant deficit reduction can best be accomplished by legislative decisions that reduce outlays or increase revenues.''

If we do not balance the budget today and continue on our path of irresponsible spending, what will happen? Here are a few examples:

In the year 2000, annual interest payments on the Federal debt will grow to about $305 billion—an increase of over 50 percent in just 4 years. Interest payments on the debt will surpass defense spending and become the largest Federal expenditure.

In the year 2012, unless policy changes are enacted, projected spending on entitlement programs and interest on the debt will grow so rapidly that they will consume all tax revenues collected by the Federal Government.

In the year 2012, unless changes are made, the Government could theoretically close all Federal prisons, national parks, the Pentagon, and eliminate spending on research and development, education, roads and bridges and still not have enough savings to eliminate the deficit.

In the year 2030, to bring the deficit down to the current level, the Bipartisan Commission on Entitlement and Tax Reform concluded that either all Federal taxes would have to be increased by 85 percent or all Federal spending programs would have to be cut in half.

When I took the oath of office in 1983 as Governor of the State of Nevada, the Nevada State Constitution required a balanced budget. The necessary, excruciating task of balancing the State budget took strong executive and legislative leadership. Those tough decisions were made, and each year the State budget was balanced.

Nevada is not alone in requiring a balanced budget, in fact, many States across the Nation require Governors to submit, and legislatures to pass, budgets that reconcile revenues and expenditures. It is time that the Congress and the President come together and make the tough decisions that are required for fiscally responsible governance.

History has shown that nothing is more desired and nothing is more avoided than the will to make tough choices. The last time our Federal budget was balanced was 1969.

Mr. President, we are sitting on a time bomb. Our obligation to finance the national debt eats away each year at our ability to address the critical needs of our population. Passing this amendment will signal to the American people that we are concerned about the solvency of this country, and it will demonstrate our commitment to preserving important government resources that are a lifeline for so many of our citizens. I strongly urge the passage of the constitutional balanced budget amendment.

Mr. ASHCROFT. Mr. President, the United States of America was born of

dislike and disgust of taxation. Unfair and burdensome taxation was the impetus for the Declaration of Independence. You would think we would have learned a lesson from this.

Unfortunately not. Government taxes on the American people have reached all time high, choking off economic growth. Working Americans now pay 41.3 percent of their income in taxes—a 1.3-percent increase since President Clinton came into office. We spend nearly as much for interest on the national debt as we spend on the defense budget and 40 cents of every income tax dollar goes to interest. A child born today is destined to pay $187,000 in interest on the national debt during his or her lifetime.

And these astronomical rates are not high enough to meet current spending needs. Future generations could see tax rates of up to 84 percent, if we don't stop this profligate spending.

We have tried over and over again as a deliberative body to stop the cycle of deficit spending. We had the Gramm-Rudman-Hollings Act, then we had Gramm-Rudman II, and then we had the budget deals of 1990 and 1993. Yet we have not been able to get one Senate to hold the next Senate on the path to a balanced budget.

While one Senate cannot bind the next Senate, this Senate certainly shackles the next generation to this generations' debts. The result: the cost of current programs—from which we all now benefit—is being foisted upon the next generation. And that next generation of Americans, who haven't yet earned their first paychecks, can't vote—they have no say in what we are doing. That is obscene; that is immoral; that is un-American.

Beltway robber barons, elected and unelected, are addicted to spending. The only way to end this psychological dependence to pass the balanced budget amendment.

The balanced budget amendment would outlaw deficit spending and force government to balance its books. It would return accountability to the Constitution and restraint on our spending —in short, integrity in our Government. It will rightly return the power of the purse to the people.

The belief we can only control government by controlling its capacity to take our money is as old as the idea of democracy. Money was—and is—the source of the Government's basic power. The tale of history bears testament to this truth. The Magna Carta prescribed that the king could not impose taxes—except through the consent of the great council. Charles I was executed because he tried to govern without seeking the consent of parliament in spending public money.

Congress today doesn't have to vote to raise more taxes in order to spend more money. Instead our legislature takes the debtor's path: spend and beg; spend and plead; spend and borrow. Our current system lets the Government spend on credit and sign the taxpayers' name on the dotted line.

For too long this body has assembled to satisfy the appetites of narrow interests at the expense of the public. The American people are fed up with a Congress that spends the as yet unearned wages of the next generation. Thomas Jefferson was right when he proscribed in 1789, ''no generation can contract debts greater than may be paid during the course of its own existence.''

The balanced budget amendment is not a quick fix. It is real reform that will end deficit spending except in times of war. Constitutional measures that enforce a balance budget have worked at the State level and will work at the Federal level. I know, from my service as Governor in one of 49 States that require a balanced budget. As Governor, I balanced budgets 8 years in a row. Not only did we balance the budget, we put into place a cash operating reserve fund of several hundred millions of dollars. We established a rainy day fund because we knew there would be episodes of fiscal crisis and financial difficulty in the future that we would need to meet. And we knew, since we were required by our constitution to have a balanced budget, that we would need to prepare for it in advance. Experience has shown that State constitutional balanced budget provisions force legislatures and executives to prioritize and cut spending. Passage of the balanced budget amendment would do the same for the Federal Government.

During this debate concerning a balanced budget amendment to the constitution, we have heard frequently and forcefully that there is no need for us to amend the U.S. Constitution. It has been argued the constitution gives Congress the authority to balance the budget—for the Federal Government to live within its means. Mr. President, Congress does not lack authority. Congress lacks self-restraint. Congress doesn't need permission to balance the budget, it needs to be forbidden from doing otherwise. When it's time to stand firm, when it's time to prioritize spending, when it's time to make tough choices—Congress seems to experience a collective collapse of will.

Mr. President, last year you and I and other Members of this Chamber endured a balanced budget amendment debate, and ultimately we fell one vote short. We fell one vote short in March 1995 because a number of Senators reneged on their promise to vote for the amendment. We fell one vote short because six Senators who voted against the balanced budget amendment who voted for it 12 months earlier. We fell one vote short because many of our colleagues said over and over again: ''All we need is the will and the courage, and the determination to balance the budget.'' Well, I am here to tell you that that was just one more lame excuse.

This profligate spending must stop. In 1962, the Federal Government's budget reached $100 billion. By 1971 it had doubled to $200 billion. By 1977, it had doubled again. By 1983, it had doubled again. The budget for next year, fiscal year 1997, will be more than $1.6 trillion—the budget doubled again. Of course, spending has far exceeded revenues, so much so that we have accumulated a Federal debt of over $5 trillion. In fact, we haven't seen a budget surplus for 25 years. And next year the Federal Government will spend around $240 billion just to pay for interest on the Federal debt—that is nearly $1,000 for every man, woman, and child in America.

Mr. President, deficit spending is not only a threat to our prosperity and our children's future, it is the method by which Washington's imperial elite has circumvented the public, the law, and the Constitution. Deficit spending allows beltway robber barons to run this country without regard to the people. Whether it's pork projects or political payoffs, the Washington elite know how to play the game.

That must end. A balanced budget amendment will compel the Members of this body to raise taxes if they want to spend more money—what better way to restrain spending than that. A balanced budget amendment will make clear to all that the special interest is rewarded when the citizen is penalized.

What will a balanced budget amendment mean? Accountability to the Constitution and restraint on our spending—in short, integrity in our Government. It will rightly return the power of the purse to the people.

The balanced budget amendment is not a quick fix, it is real reform and it will be felt. It will be felt first and foremost by an imperial elite who have long run this town. It will be felt by a brood of beltway barons—elected and unelected—who are robbing the next generation of their yet unearned wages. And most importantly, it will be felt by the American people who will have succeeded in restoring their right to self-governance.

Mr. MOYNIHAN. Mr. President, last year I presented three papers to the Senate urging opposition to this constitutional amendment. The first paper argued that the existing deficits were a recent event and marked a sharp departure from the fiscal problems of earlier administrations, which were directed primarily to the problem of a persistent full employment surplus, with its accompanying downward pressure on consumer demand. The second paper related the singular events of the 1980s, which led to huge deficits and a huge debt. The third paper explored the folly and danger of writing into the Constitution decrees concerning fiscal policy which would have been inappropriate to a small 18th century republic, and would be potentially destabilizing to a world power in the 20th century.

In the FY 1973 budget, OMB Director George P. Shultz explained the ''full-employment budget concept'' as follows:

. . . expenditures should not exceed the level at which the budget would be balanced under conditions of full employment.

Which is to say that in the absence of full employment, as was the case in FY 1973, the Federal government should deliberately contrive to incur a deficit equal to the difference between the revenues that would actually come in at levels of underemployment, and those that would come in at full employment. Far from being inevitable and unavoidable, there were points in the business cycle where a deficit had to be created. Otherwise, surpluses would choke off recovery.

The term ''full employment surplus'' had originated earlier. The January 1962 report of the Council of Economic Advisers explained that as the recovery from the recession of 1958 got underway, economic activity grew and so did the revenues of the Federal government. But Congress would not spend the additional revenue. As a result, the recovery stalled. This untoward event was ascribed to ''fiscal drag.''

Beginning in 1980, the Reagan White House and Office of Management and Budget set about creating a crisis by bringing about deficits intended to force Congress to cut certain programs. In a television address 16 days after his inauguration, President Reagan said:

There were always those who told us that taxes couldn't be cut until spending was reduced. Well, you know we can lecture our children about extravagance until we run out of voice and breath. Or we can cut their extravagance by simply reducing their allowance.

Haynes Johnson wrote of this in Sleepwalking Through History: America Through the Reagan Years (1991). I will simply quote a footnote on page 111:

[Stockman's] former mentor MOYNIHAN was the first to charge that the Reagan Administration ''consciously and deliberately brought about'' higher deficits to force congressional domestic cuts. MOYNIHAN was denounced and then proven correct, except that the cuts to achieve balanced budgets were never made and the deficits ballooned even higher.

A balanced budget amendment would undo all that we have learned about economic policy over the past 60 years. There was enormous volatility in economic activity prior to 1945—volatility that would be considered unacceptable today. For example in 1906, output increased by 11.6 percent, to be followed 2 years later by a decline of 8.2 percent in 1908, and an increase of 16.6 percent in 1909. And in 1918, output increased by 12.3 percent to be followed by 3 consecutive years of negative growth including a drop of 8.7 percent in 1921. And then, of course there was the Great Depression. After increasing by 6.7 percent in 1929, output fell by 9.9 percent in 1930, another 7.7 percent in 1931, and then a further devastating decline of 14.8 percent in 1932. After World War II all this changed, following a brief adjustment period, as the country converted from a wartime to peacetime economy. Since then, the largest reduction in output was 2.1 percent in 1982.

In the 1970's I asked Council of Economic Advisers Chairman, Charles L. Schultze, what would happen if we had tried to balance the budget in the middle of the 1975 recession. He reported back that the computers at the Council ''blew up''. GDP—then called GNP—dropped another 12 percent in an economy in which output was already 5 percent below capacity. During the debate on the balanced budget amendment last year, this simulation was repeated by the Treasury Department and by my own staff with the same results. A moderate recession in which the unemployment rate increases by 2–3 percent turns into a major contraction—may I say depression—in which unemployment soars over 10 percent and output falls by 15 percent or more. In the entire post-World War II era the unemployment rate exceeded 10 percent only for a brief 10 months during the 1981–82 recession.

Let us not undo the progress we have already made—progress easily seen if we look at the facts.

Last year, in my third paper opposing this constitutional amendment, I noted:

As a result of the deficit reduction policies we have had three straight years of deficit reduction—the first such string of declines since the administration of Harry S. Truman. Here are the numbers:

FY 1992: $290.4 billion.
FY 1993: $255.1 billion.
FY 1994: $203.2 billion.
OMB 1995 est.: $192.5 billion.
CBO 1995 est.: $176 billion.

With a year of hindsight I confess to being somewhat inaccurate. Remarkably, the deficit for fiscal year 1995 was even lower than projected: $163.8 billion compared to projections of $176 to $192 billion. The fiscal year 1996 deficit will be even lower, resulting in 4 consecutive years of deficit reduction.

And the budget outlook improves almost monthly. While I was on the floor opposing a balanced budget amendment last February, the Congressional Budget Office was projecting a fiscal year 1996 deficit of $207 billion. By August 1995, CBO had lowered its projection to $189 billion. And then again another reduction in December 1995 to $172 billion. Even the latest CBO forecast of $144 billion released last month is outdated. Following new revenue estimates from the Treasury Department, June O'Neill, Director of CBO, indicated on May 20, 1996 that her agency had lowered its estimate of the fiscal year 1996 deficit to $130 billion.

Some will note that the latest estimates incorporate the effects of both an expected fiscal dividend from a balanced budget and legislative actions that reduced discretionary spending.

But the bottom line is even better than expected, so let's give a cheer.

The deficit has been cut by more than 50 percent from $290 billion to about $130 billion in 4 years.

The deficit is now about 1.7 percent of GDP.

And we have a primary surplus—that is, excluding interest payments, revenues exceed outlays.

Adopting a constitutional amendment to balance the budget—which I argued in 1981 in the Wall Street Journal is tantamount ''to writing algebra into the Constitution''—can only jeopardize the remarkable progress we have already made. We can and we will complete the job of balancing the budget without this amendment.

I urge the Senate to once again reject this proposed balanced budget amendment to the Constitution.

Mr. HELMS. Mr. President, the distinguished majority leader, Mr. DOLE, has scheduled for the Senate a reconsideration of the enormously important issue of amending the U.S. Constitution to require that Congress return to the principle of a balanced federal budget.

One of my heroes, Thomas Jefferson, put it this way:

The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.

That, Mr. President, tells it all, and that is one of the many reasons that I so strongly support the balanced budget amendment. It is indeed wrong—in fact, it is criminal, for Congress to mandate the Federal Government to spend more than it takes in. It is demonstrably destructive to the economy, and ultimately to our society. It is a horrible legacy to impose upon our children and grandchildren.

The Congress has a moral duty to stop the charade of out-of-control deficit spending which has shackled future generations with a debt that causes wage stagnation and anemic economic growth. For too long, the Congress discarded its duty and responsibility, and has shamelessly supported bloated appropriations for political expedience.

For a very long time, this institution has condoned the free-lunch syndrome, which has never existed, and never will. Mr. President, as of the close of business Tuesday, June 4, the Federal debt—down to the penny—stood at exactly $5,139,963,594,008.65, or $19,395.97 for every man, woman, and child in America.

A deliberate debt of this magnitude, knowingly run up by Congress, is bizarre. It is, in fact, a con-game. And that is what the 1994 election was all about: restoring integrity and accountability to Government. To their credit, Republicans in Congress delivered on their commitment when the Balanced Budget Act of 1995 was enacted, cutting Federal spending by $961 billion over 7 years. And although the budget proposed annual increases in spending—over and above the $1.6 trillion appropriated for fiscal year 1996—President Clinton vetoed it because it didn't spend enough.

Mr. Clinton, after having himself proposed a Federal budget that projected deficits as far as the eye could see, engaged in a comical series of proposed budgets that, he asserted, would balance the Federal budget in 10, 7, 9 or 8 years—take your pick. Even the Washington Post declared that the proposed Clinton budget ''relies on gimmicks that almost no one believes would survive.'' This illustrates why it's imperative to have the U.S. Constitution mandating a required balanced budget.

On March 2, 1995, the Senate failed, by one vote, to approve this amendment. All but one of the Republican Senators supported it. But only 13 Democrat Senators supported it, which doomed the balanced budget amendment last year.

Today we have one more opportunity to approve the amendment in this, the 104th Congress.

Again, Thomas Jefferson said it best:

> To preserve our independence, we must not let our leaders load us with perpetual debt. We must make our election between economy and liberty, or profusion and servitude.

Will the Senate heed Jefferson's wise counsel? We shall shortly see.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I appreciate this opportunity to conclude the debate on today of a balanced budget amendment. As the Presiding Officer said in his remarks, and as my friend from Montana reiterated in his, it has been a long day, filled with active debate and some emotion, on this important subject. I do not intend to keep the Senate long with my remarks, but I would like to make a few statements relative to the decision that we will make tomorrow.

As I have in the past, I shall vote for the constitutional amendment to insert into the U.S. Constitution a provision requiring a balanced budget as a fundamental principle of our Nation's public policy. It is unfortunate that we have to vote on a constitutional amendment to force us to do something that we ought to do and that most Congresses throughout the history of this proud Republic have done. However, we have reached the point at which I have concluded that a constitutional amendment will be necessary in order to provide to this Congress and to future Congresses the necessary constitutional backbone in order to maintain a policy of a balanced budget.

What does the passage of a balanced budget amendment to the U.S. Constitution accomplish? The passage of this amendment will not, as the Presiding Officer has stated, place this into the U.S. Constitution. It refers this matter now to the States, and it will be the responsibility of three-quarters of the States through their appropriate legislative process to make a determination as to whether this shall be added to the Constitution. Certainly the passage of this amendment will not result in a balanced budget or the diminishment by even a penny of the U.S. deficit. Rather, this is a statement of an objective and the provision of constitutional methods by which to give some assurance that that objective will be reached. This is not a substitute for the long road of difficult decisions that will in fact be required in order to reach a balanced budget.

This amendment may make us feel patriotic. It may make us feel good. But it is not a cure-all for our budget woes. The budget deficit will not suddenly disappear because of the passage of this amendment.

I reflect on a decision which this Senate made a few days prior to Memorial Day. I was part of a group which has worked over the past several months to develop a balanced budget plan, a plan which, within 6 or 7 years, would bring our deficit into balance and would make those structural changes that would give us some confidence that once in balance, the budget would stay in balance past that 6- or 7-year period. This effort, which has been referred to as the centrist coalition or as the Chafee-Breaux coalition, was a serious effort to develop a proposal which would actually achieve the objective of a balanced budget.

I think in the development of this proposal and in its disposition by the Senate that there are some important lessons. The first of those lessons is that this effort by the centrist coalition was bipartisan. It happened that the final proposal was developed by 22 Members of this Senate, 11 Republicans and 11 Democrats. It was not intended that it be so equally balanced, but that was how it finally evolved. I believe that there is an important lesson here, and that is that almost any serious effort in this Government which is intended to have a sustaining life must be based on a broad foundation of bipartisanship. There is an arrogance and an ignorance which is associated with efforts which assume that one individual or one party can carry a major reform.

It has been said, and I believe correctly so, that the U.S. Constitution was the first time that the basic structure of a government was written with one of its fundamental objectives being that that government should not function efficiently. Our Government was designed to be difficult. Our Government was intended to be such that no government, by its alacrity and by its effective organization, would be able to trample on the rights of minorities or individual citizens. The very fact that it is difficult to accomplish anything with our form of government underscores the importance of starting the process of change with a bipartisan spirit.

So, while there have been many speeches given in the last few hours about the heroic efforts to try to balance the budget which then foundered because of the Presidential veto, I suggest they had no chance of getting to the destination in the first place and were not serious efforts at getting to that destination because they failed the fundamental, initial test of an effort at serious bipartisanship. Our effort, the centrist coalition, was a serious bipartisan effort.

What happened to our effort? Our effort failed. It failed by a vote of 46 yeas and 53 nays. It had 22 Republican votes and 24 Democratic votes, so its essential bipartisanship from the beginning carried through to the final vote. It was good news that the vote was as close as it was. Frankly, I was surprised that there were 46 Members of the Senate who would be prepared to put their names behind the very tough choices that were contained in that centrist coalition.

The bad news was that in fact it did lose. That failure indicated that, for another year, we were not going to have a plan for a balanced budget. It also indicated the gap, the chasm, between the rhetoric and the actions of people who will stand and, with such flourish, indicate their commitment to a balanced budget but, when there is an actual opportunity to vote for a bipartisan bill, do not. This was a bipartisan bill which a significant number of Members of both parties were prepared to support and with some expectation that, if it were actually passed by the Congress, that the President would sign it into law. That it failed is an indication of the gap between rhetoric and the actual tough choices that we have to make.

There have been a number of analogies on the floor in the past few hours. One of those analogies, which I think the Presiding Officer used, was of a hockey stick, to describe that we had an essentially balanced budget for most of our Nation's history and then in the last few years we have gone off the chart, in terms of deficits. If I could use that hockey analogy, and hockey is not a sport that is particularly well known to me, I would say that those who give speeches in favor of a balanced budget are like a hockey player at practice, where the net is empty and all you have to do is take the puck and, with your hockey stick, knock it into the net. If you are sufficiently skilled, that is not a particularly difficult thing to do.

What happens when the actual game starts, when the full teams of both sides are on the ice? Then you might have somebody in the net with the skill of John Vanbeesbrook, who is the goaltender for the Florida Panthers. The challenge comes to be able to score when you have a difficult target to hit.

That is the nature of the challenge we are going to face and which the passage of this constitutional amendment is not going to allow us to avoid.

At some point, whether we pass this amendment or whether we do not pass this amendment, collectively, and in a bipartisan spirit, we are going to have to make some very tough choices. There has been lots of discussion about why we are doing this. We are doing it in order to help the people of America

be able to buy a home, get a job, pay off their student loans. We are doing it because it is our generation's responsibility. A frequently stated reason is we are doing it out of a sense of responsibility to our children or grandchildren. I want to join that chorus.

Mr. President, this happens to be a picture taken of my wife and myself and our eight grandchildren. These three, who are triplets, were born approximately 14 months ago. I am pleased to report that one of those triplets, whose name is Adele Gibson, took her first steps yesterday, and I was there to observe her taking three of those first steps. She is ready to start her life of increased mobility and independence. It is for Adele and her cousins and the millions of other grandchildren of America for whom we take this action.

This amendment will force us to make some of the tough decisions that we have become too accustomed to avoid. The passage of this amendment is not a time to exalt. Passing this amendment is not a victory. We may have, by passage of this amendment—should we be able to get the constitutional number to do so tomorrow—performed the equivalent of the hockey exercise of getting the puck into an empty, unguarded net.

The challenge is going to be when we can do the tough work of scoring against the difficult opponent of inertia, the difficult opponent of special interest, the difficult opponent of people who have developed a set of expectations that are necessarily going to have to be challenged if we are to move in a different course. These choices will be difficult, and many of them will not be politically prudent. However, they must be made.

So, Mr. President, I state again that it is my intention tomorrow to vote for the constitutional amendment which will establish as a fundamental policy of the Government of the United States of America that we will balance our budget. But I do not wish anyone who observes this process, and certainly none of us who will participate directly in it at noon tomorrow, to be under any delusions that we have done some heroic act by voting for this constitutional amendment. We have just stated that we are unable to make the tough choices without the threat of a constitutional crisis in failing to do so and, thus, are prepared to impose the shackles of that crisis upon ourselves and those who will serve here in the future.

We have stated that while we have been unwilling to make the tough choices to date, that with those shackles we will be forced to do so.

So this is a time of sober reflection on our failure rather than exaltation at a temporary success.

I hope that my colleagues will provide the necessary constitutional margin to pass this amendment tomorrow, because without it, I do not see any evidence in our actions and actions as recently as the past 2 weeks that give me cause to believe we will, in fact, make those tough decisions to balance the budget of the U.S. Government, achieve the benefits that will come from that and be faithful to Adele Gibson and the other grandchildren of America.

Thank you, Mr. President.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

TRIBUTE TO BILL COHEN

Mr. DOLE. Mr. President, the State of Maine has a rich tradition of sending independent and thoughtful voices to the U.S. Senate. Margaret Chase Smith and Ed Muskie are just two Senators with whom I have served who have carried on this tradition.

For the past 18 years, that tradition and the best interests of Maine citizens have been very ably represented in this Chamber by our colleague, BILL COHEN.

One thing I have learned about BILL COHEN is that he does not know how to just touch the surface of an issue. If I gave him an assignment, or if he involved himself in a problem, then along with learning everything there is to know about that problem, he also would provide innovative solutions.

Military preparedness, the Central Intelligence Agency, lobby reform, health care fraud and abuse, Medicare, international trade, these are just a few of the countless areas that have benefited from BILL COHEN's intellect and energy.

As my colleagues know, BILL has also found time to publish a number of books, including a very thoughtful look at his first year in the Senate, a spy novel, an account of the Iran-Contra investigation, and a number of volumes of poetry.

BILL's departure from the Senate will leave him with more time for writing, and more time for thinking. And I have no doubt that his writing and his thinking will continue to influence American public policy for many years to come.

SENATOR PAUL SIMON

Mr. DOLE. Mr. President, it is no secret that one regret I will have when I leave the Senate is the fact that we did not send a balanced budget amendment to the States. And I know that regret is shared by many in this Chamber including our colleague, Senator PAUL SIMON. The balanced budget amendment is a cause that Senator SIMON has courageously advanced since his arrival here many years ago in 1985. Perhaps his aversion to deficits and red ink arose from the fact that Senator SIMON began his career at age 19 by editing and publishing a small newspaper.

Whatever the reason, Senator SIMON hit the nail on the head when he stated that allowing skyrocketing deficits to continue was ''a policy of folly.'' If I know Senator SIMON, I know that he will continue to write and speak against this policy of folly until it is changed.

The balanced budget is not the only debate to which Senator SIMON has devoted his considerable intellect and energy. Education reform, the impact television has on our children, and world hunger are just three of the many issues Senator SIMON has embraced during his 12 years in this Chamber.

I will also long remember the support Senator SIMON provided during the battle for passage of the Americans With Disabilities Act. His long and distinguished public career also includes 8 years in the Illinois House of Representatives, 6 years in the Illinois State senate, 4 years as Illinois lieutenant governor, and 10 years in the U.S. House of Representatives. Somehow, this prolific writer has also found time to author 15 books and through all his nearly 50 years of service, from his day as crusading editor until today, he has maintained a spotless reputation for total and complete integrity.

Though we come from different sides of the aisle, I can say without hesitation Senator SIMON's retirement will deprive this Chamber of one of our most thoughtful Members. Elizabeth joins me in wishing he and Jeanne many more years of health and happiness.

SENATOR MARK HATFIELD

Mr. DOLE. Mr. President, in the suite of offices I have been privileged to occupy as Republican leader hangs a picture of Senator Charles McNary of Oregon. Senator McNary served as Republican leader for over 10 years in the 1930's and 1940's, and he served for over 26 years in the Senate.

He was the longest serving Senator in Oregon history until his record was broken by our colleague, Senator MARK HATFIELD. All Oregonians would agree that not only has Senator HATFIELD made history in terms of longevity, he has also set standards in terms of integrity.

Senator HATFIELD and I have served together in this Chamber for over 27 years. In that time, we have agreed on many issues and we have disagreed on many others, but I can say without hesitation that not once in the years we have served together did I ever doubt that MARK HATFIELD was standing up for what he truly believed was right for Oregon and for America.

Senator HATFIELD has devoted himself to many causes in the Senate, including improving Oregon's infrastructure, medical research, and the search for a cure to Alzheimer's disease. Perhaps he is best known for his dedication to the cause of peace, a dedication

arising from service in World War II where he saw battle at Iwo Jima and Okinawa, and was among the first U.S. servicemen to enter Hiroshima following the atomic explosion.

Before entering politics, he was a college professor, and when he returns to Oregon in January he will once again enter the classroom. The fact is, however, that for Senator HATFIELD the U.S. Capitol was also a classroom and the lessons he has taught us all, lessons in statesmanship, leadership, and friendship, will remain with us and with this Chamber for many years to come.

Mr. President, I yield the floor. I thank my colleagues.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

MORNING BUSINESS

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

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

DEATH OF RED CROSS RELIEF WORKERS IN BURUNDI

Mr. KASSEBAUM. Mr. President, yesterday three Swiss Red Cross relief workers were killed in Burundi. I want to express my condolences to the International Committee of the Red Cross and the families of the deceased.

The ICRC staff were attacked as they returned from a project providing humanitarian relief to the civilian Burundian population. ICRC is the largest humanitarian organization in Burundi, providing water to over 200,000 people, as well as cans, pots, and blankets. The Red Cross agricultural programs keeps 150,000 people alive.

Over the years, when I have traveled in Africa, I have always been impressed with the courageous work of the ICRC. From Somalia to Rwanda, Angola to Liberia, the ICRC performs critical functions—often, as we saw yesterday, at great personal risk. In many of these crises, I simply do not know what we would do with the ICRC.

The International Red Cross has long been identified as a neutral organization which meticulously avoids taking sides in armed conflicts. For that reason, the brutal attack on the relief officials—in a vehicle clearly marked with Red Cross emblems—is particularly outrageous.

Mr. President, while much of the rest of the world—and even most of Africa—is moving forward into the 21st century, some countries continue to deteriorate into almost medieval levels of brutality with a total disregard for human life. Over the past year, the violence in Burundi has increased dramatically as both the Burundian military and rebels based in Zaire have killed civilians at will.

While the extremists pursue a strategy of intimidation, the civilians of Burundi suffer. In recent months, thousands of innocent people have been killed. Tens of thousands have been displaced from their homes, many forced into Zaire and Tanzania.

As the level of violence grows, Burundi risks spiraling totally out of control into a cycle of genocidal brutality.

Mr. President, it is difficult to know what to do in this type of situation. Clearly, as security permits, we will support humanitarian relief operations. The United States and our Europeans allies will continue to engage in active diplomatic efforts to stop the killing. I commend the administration, particularly National Security Adviser Tony Lake, for taking a trip to Burundi to signal high-level concern. And the United Nations is exploring a numbers of options to address the continued violence.

But I believe the primary responsibility—and the most effective means—to stop the killing lies with those on the African Continent.

First and foremost, the Burundians themselves must stand up and say that enough is enough. The military—the primary perpetrators of the violence—must end the brutality and perform as a neutral, professional force protecting, not killing, their citizens. The Hutu rebels based in Zaire must stop their campaign of terror. All parties must stop spreading fear and pursue their goals through dialog.

Mr. President, the neighboring states—those most affected by the insecurity in Burundi—must play an active role in reestablishing stability in the region.

Former President Nyerere of Tanzania is leading an active diplomatic initiative to bring the Burundian parties together. I commend President Nyerere for his efforts, and the United States should continue to strongly support him.

I would urge the Organization of African Unity to become more engaged in Burundi. The Secretary General of the OAU has issued a statement on Burundi. But the OAU, in order to be relevant, must stop talking about ending conflict and begin to take actions to stop conflicts.

Finally, as the primary host to refugees from Rwanda and Burundi, Zaire has a clear interest in promoting peace in Burundi. Yet, all evidence points to the continued destabilizing role of Zaire in central Africa. President Mobutu and Prime Muinister Kengo must use their influence to stop the arms trafficking to the Hutu rebels based in Zaire. They must arrest the intimidators spreading fear among refugees. And they must improve security on the border.

Over the years, I have been one of the first to criticize President Mobutu for his human rights and economic policies in Zaire. He has destroyed the physical and social infrastructure of his country, potentially one of Africa's richest and most powerful. Now he is feeding instability in Burundi and Rwanda despite the interests of the Zairian people in stability. President Mobutu should understand that his role in central Africa will be noted and remembered by the United States.

Mr. President, once again I want to express my deep sadness over the brutal murder of the three International Committee of the Red Cross relief workers in Burundi. They died in a noble cause: helping innocent civilians stay alive. It is my hope that their deaths will be among the last in Burundi—and not just one more tragic event in the continued slide into uncontrollable ethnic brutality.

FOREIGN OIL CONSUMED BY UNITED STATES? HERE'S WEEKLY BOX SCORE

Mr. HELMS. Mr. President, the American Petroleum Institute reports that for the week ending May 31, the United States imported 8,700,000 barrels of oil each day, 900,000 barrels more than the 7,800,000 barrels imported during the same week a year ago.

Americans relied on foreign oil for 57 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 better ponder the economic calamity sure to occur in America if and when foreign producers shut off our supply—or double the already enormous cost of imported oil flowing into the United States—now 8,700,000 barrels a day.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, the Federal Government is existing on borrowed money—more than $5 trillion of it. As of the close of business yesterday, June 4, 1996, the Federal debt stood at $5,139,963,594,008.65. On a per capita basis, every man, woman, and child in America owes $19,395.97 as his or her share of the Federal debt.

More than two centuries ago, the Continental Congress adopted the Declaration of Independence. It's time for Congress to adopt a declaration of economic responsibilities—and an amendment requiring the President and Congress to come up with a balanced Federal budget—now.

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 one nomination which were referred to the Committee on Armed Services.

(The nomination received today is printed at the end of the Senate proceedings.)

REPORT ON SMALL BUSINESS AND COMPETITION—MESSAGE FROM THE PRESIDENT—PM 152

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 Small Business:

To the Congress of the United States:

I am pleased to transmit to you my annual report on the state of small business, and to report that small businesses are doing exceptionally well. In the year covered by this report, a record 807,000 new firms reported initial employment. Firms in industries dominated by small businesses created almost 60 percent of the nearly 3.3 million new jobs. Business failures and bankruptcies declined at some of the sharpest rates in a decade.

Small businesses have both contributed to and benefited from the recent strength of the economy. The deficit reduction plan I initiated in 1993 has cut the budget deficit in half. The economy has created 8.5 million new jobs since January 1993—almost all of them in the private sector. The combined rate of unemployment and inflation is at its lowest level in more than 25 years.

A major success story has been in the women-owned business sector. Women are creating new businesses and new jobs at double the national rate. Today, women own one-third of all businesses in the United States. Clearly, there is no stopping this fast-growing segment of the economy.

Last June I met in Washington with nearly 2,000 small business owners—participants in the national White House Conference on Small Business. They took precious time away from their businesses to tell us about their problems and their ideas for resolving them, turning over a list of 60 recommendations for Government action. Their ideas are reflected in many of the recent initiatives of my Administration.

IMPROVING ACCESS TO CAPITAL

One of the keys to a healthy small business sector is access to adequate start-up and working capital. The Small Business Lending Enhancement Act of 1995, which I signed last October, helped to increase access to capital through the Small Business Administration's (SBA) section 7(a) loan guarantee program. Last year, the SBA provided nearly $11 billion in long-term credit and other financial assistance to more than 67,000 small businesses, bringing SBA's total loan portfolio to $26 billion. The number of 7(a) guaranteed loans has increased dramatically, up 52 percent from fiscal year 1994 to fiscal year 1995—and that's with a smaller budget and fewer employees at the SBA. Moreover, during that same period, the number of 7(a) guaranteed loans to women-owned businesses grew by 86 percent; loans to minority-owned businesses increased by 53 percent; and loans to businesses owned by U.S. veterans grew by 43 percent.

Other initiatives are under way. My administration has been working with banks and banking regulators to remove impediments to small business lending by financial institutions. The Riegle Community Development and Regulatory Improvement Act of 1994 amended the banking and securities laws to promote the growth of a secondary market for small business loans. And my administration is looking to reduce small business securities filing and disclosure burdens. In June 1995, the Securities and Exchange Commission proposed regulations that would further this small business goal.

EASING THE TAX BURDEN

The Federal Government should reward rather than discourage entrepreneurs who take risks and create jobs. To that end, we have worked to simplify the tax code and make it more equitable for small firms.

In April 1995, I signed legislation to increase to 30 percent the share of health insurance premiums that self-employed individuals can deduct on their tax returns beginning this tax year—and we're working to increase that amount.

Small firms are less likely than their larger counterparts to be able to provide retirement plans. While 75 percent of workers in businesses with more than 1,000 employees have pension plans, only 24 percent of workers in businesses with fewer than 100 employees have them. I have proposed a new pension plan targeted to the needs of small businesses—the National Employee Savings Trust (NEST). The NEST would provide benefits similar to those of a 401(k) pension plan and would be simple to create and operate.

My Administration has endorsed other improvements that make existing pension plans safer and more beneficial for business owners and employees alike. For example, we have proposed to eliminate the ''family aggregation'' restrictions on pensions for family members, so that spouses or children who work in the same or related businesses can earn their own retirement benefits.

Our 1993 economic plan made 90 percent of small businesses eligible for tax relief. It established a targeted tax preference for capital gains, reduced the record-keeping requirements for the meals and entertainment deduction, and raised the small business expensing limit for equipment by 75 percent, to $17,500. We have proposed to increase further the value of equipment that can be directly expensed to $25,000.

My Administration is also taking steps to ensure that tax regulations are as simple and understandable as possible. For example, administrative guidance has been published to provide tax relief to S corporations and partnerships, simplify depreciation computations, and ease inventory capitalization for small businesses.

We are pursuing tax form simplification through our Simplified Tax and Wage Reporting System (STAWRS). This joint effort among Federal and State agencies will simplify, unify, and streamline tax reporting so that taxpayers will eventually be able to file their State and Federal tax and wage returns at one location, electronically. All these efforts will bring tax reporting into the modern age while reducing the paperwork burden for small business.

SHRINKING THE REGULATORY AND PAPERWORK BURDEN

Regulation and paperwork continue to be a key concern of America's small business owners, and I am proud of the progress my Administration has made in addressing this concern. For example, the SBA is streamlining all its regulations and converting them to plain English. An application form for the most common SBA loans used to be an inch thick and take 5 to 6 weeks to approve. We've reduced the form to one page and cut turn-around time to 3 days.

I've said it before: the era of big Government is over. We have been working hard to give the American people a Government that works better and costs less. We are eliminating 16,000 pages of unnecessary regulations and streamlining 31,000 more—shifting decision-making out of Washington and back to States and local communities. In addition, we are directing Federal agencies, where possible, to cut by half the frequency of reports the public is required to provide to the Government.

More broadly, much of our National Performance Review effort to reinvent Government has been pointed specifically at helping small business. The U.S. Business Advisor, which provides Internet access to information from all Federal agencies, and the U.S. General Store for Small Business, which offers business owners one location for dealing with the Federal Government, illustrate our commitment to reinventing how Government serves the small business community.

In March 1995, I announced a new approach to lessening the regulatory burden on small firms. Under this commonsense approach, small businesses can now avoid paying penalties for violations if they correct the problem within an appropriate period of time. And for those violations that may take

longer to correct, a small business may get up to 100 percent of its fine waived if that same money is used to correct the violation.

I'm proud to have succeeded in putting more teeth in the Regulatory Flexibility Act (RFA). Under the 1980 Act, Federal Government agencies must analyze their proposed regulations for their effects on small firms—and revise them if they will create an unfair burden. In the past, however, because the agencies' analyses could not be reviewed in the courts, small businesses had no meaningful recourse if an agency made a poor decision. On March 29, I signed into law the Small Business Regulatory Enforcement Fairness Act of 1996, which allows for judicial review of Federal agency RFA analyses. The Act also emphasizes compliance assistance and requires agencies to provide small businesses with simple and clear guidelines to assist them in complying with the regulations that affect them.

As small business owners have told us, they care about environmental protection and occupational safety; after all, they drink the same water, breathe the same air, and share the same workplace hazards as everyone else. My Administration has challenged small businesses and regulatory agencies to find cheaper, more efficient ways than government regulation to meet the high environmental and workplace standards Americans want.

OPENING MARKETS AND EXPANDING TRADE

Every year the Federal Government spends $200 billion on goods and services, and small businesses receive a substantial share of that market. I am committed to expanding further the opportunities for small businesses to win Federal contracts. I fought for the Federal Acquisition Streamlining Act of 1994 and the Federal Acquisition Reform Act of 1996, which have simplified the procurement process and made it easier for small firms to do business with the Federal Government.

The 1994 law also created a new Government-wide electronic commerce system, FACNET, which will eventually permit electronic submission of bids and proposals. I encourage small businesses to take advantage of these new procurement procedures to provide more goods and services to the Government.

In addition to the Federal marketplace, foreign markets offer significant opportunities for small business owners to compete and win. While the North American Free Trade Agreement (NAFTA) and the General Agreement on Tariffs and Trade (GATT) are opening markets abroad, my Administration's National Export Strategy had made it easier here at home for small businesses to export. Among other things, we've opened 14 U.S. Export Assistance Centers to provide one-stop access to export information, marketing assistance, and finance.

TECHNOLOGY AND INNOVATION

Technological innovation by small firms is a major reason for America's leadership in the world economy. Through the Small Business Innovation Research and Small Business Technology Transfer programs, the Federal Government taps into the brain power of small businesses to meet its own research needs. In the process, these programs help spur technological innovation to foster new businesses and jobs.

The Small Business Innovation Research (SBIR) program alone has nearly doubled awards to small businesses during my Administration—up from $508 in 1992 to more than $900 million in 1995. And the quality of SBIR research proposals has kept pace with the program's expansion.

We've also dramatically expanded the Manufacturing Extension Partnership to help America's 380,000 smaller manufacturers become more competitive in world markets. Sixty locally managed manufacturing extension centers—up from seven in 1993—are delivering much-needed services to this important small business sector.

As this report documents, changes are coming at lightning speed. Small business owners recognize that they will need all the technological skill and ''connectivity'' they can muster just to keep up. Through manufacturing extension centers, FACNET, the U.S. Business Advisor, and other information networks, we can help make available the information small businesses need to start up and succeed.

THE HUMAN FACTOR

If the heart of our entrepreneurial economy is small business, then the heart of small business is its people—small business owners and their employees. We need to work with small businesses to strengthen and support this dynamic human resource.

We've seen what business growth can do for communities, and we hope to encourage more business formation in empowerment zones and enterprise communities: legislation before the Congress would provide more tax incentives and waivers of some regulatory requirements in these areas. SBA's one-stop capital shops specifically target empowerment zones and enterprise communities.

As I mentioned earlier, we're taking steps to modify the tax code in ways that will make it easier for small businesses to offer health care and retirement plans to their employees. We also want to make sure that workers and their families can keep their health insurance even when they change jobs. I have urged the Congress to enact the Kassebaum-Kennedy bill, which would make health insurance coverage more ''portable'' for our Nation's workers.

We want to make better use of our work force training dollars by consolidating and streamlining many of our Federal work force training programs. Under our proposal, States and localities would have more flexibility to administer these programs in the way that will do the most good for our workers and small business owners.

I'm pleased that young entrepreneurs were represented at the White House Conference on Small Business and that the conference looked to our economic future by endorsing more mentorships and workplace educational opportunities for young people. These private-sector-led efforts form an essential part of the work-based learning program I envisioned when I signed into law the School-to-Work Opportunities Act of 1994.

It takes a great deal of courage to start something new, to carve a reality out of a dream, often with few resources, sometimes in adverse surroundings, and in an economy that demands much of its participants. That is why we celebrate and listen to America's small business owners and why we will continue to look for ways to nurture and support this powerful economic engine—the small business sector.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 5, 1996*.

MESSAGES FROM THE HOUSE

At 3:55 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. 234. An act to amend title 11 of the United States Code to make nondischargeable a debt for death or injury caused by the debtor's operation of watercraft or aircraft while intoxicated.

H.R. 2650. An act to amend title 18, United States Code, to eliminate certain sentencing inequities for drug offenders.

H.R. 2977. An act to reauthorize alternative means of dispute resolution in the Federal administrative process, and for other purposes.

H.R. 3235. An act to amend the Ethics in Government Act of 1978, to extend the authorization of appropriations for the Office of Government Ethics for 3 years, and for other purposes.

H.R. 3376. An act to authorize major medical facility projects and major medical facility leases for the Department of Veterans Affairs for fiscal year 1997, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it request the concurrence of the Senate:

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 disaster conditions existing in certain areas of the United States, such as prolonged drought or flooding.

The message further announced that the House has passed the following bill (S. 1136) to control and prevent commercial counterfeiting, and for other purposes, with an amendment; the House insists upon its amendment, and asks a conference with the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. HYDE, Mr.

MOORHEAD, Mr. GOODLATTE, Mr. CONYERS, and Mrs. SCHROEDER as the managers of the conference on the part of the House.

At 6:12 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 bill, in which it requests the concurrence of the Senate:

H.R. 1861. An act to make technical corrections in the Satellite Home Viewer Act of 1994 and other provisions of title 17, United States Code.

MEASURES REFERRED

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

H.R. 234. An act to amend title 11 of the United States Code to make nondischargeable a debt for death or injury caused by the debtor's operation of watercraft or aircraft while intoxicated; to the Committee on the Judiciary.

H.R. 2650. An act to amend title 18, United States Code, to eliminate certain sentencing inequities for drug offenders; to the Committee on the Judiciary.

H.R. 3376. An act to authorize major medical facility projects and major medical facility leases for the Department of Veterans Affairs for fiscal year 1997, and for other purposes; to the Committee on Veterans' Affairs.

MEASURES PLACED ON THE CALENDAR

The following measure was read the first and second times by unanimous consent and placed on the calendar:

H.R. 2977. An act to reauthorize alternative means of dispute resolution in the Federal administrative process, and for other purposes.

The following measure was read and placed on the calendar:

H. Con. Res. 181. A 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 disaster conditions existing in certain areas of the United States, such as prolonged drought or flooding.

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–2831. A communication from the Director Bureau of Alcohol, Tobacco and Firearms, transmitting, pursuant to law, the report of technical amendments; to the Committee on the Judiciary.

EC–2832. A communication from the Chairperson of the U.S. Commission on Civil Rights, transmitting, a draft of proposed legislation entitled ''The Civil Rights Commission Amendments Act of 1996''; to the Committee on the Judiciary.

EC–2833. A communication from the Agency Freedom of Information Officer, U.S. Environmental Protection Agency, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1995; to the Committee on the Judiciary.

EC–2834. A communication from the Assistant Attorney General, Office of Policy Development, Department of Justice, transmitting, pursuant to law, the report of final guidelines entitled ''Jacob Wetterling Crimes Against Children and Sexually Violent Offender Registration Act'' (RIN1105-AA36), received on May 13, 1996; to the Committee on the Judiciary.

EC–2835. A communication from the Chairman of the U.S. Sentencing Commission, transmitting, pursuant to law, the annual report for fiscal year 1995; to the Committee on the Judiciary.

EC–2836. A communication from the Office of the Attorney General, Department of Justice, transmitting, pursuant to law, the annual report for fiscal year 1995; to the Committee on the Judiciary.

EC–2837. A communication from the Commissioner of the Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, the report of a final rule entitled ''Certification of Designated Fingerprinting Services'' (RIN1115-AD75), received on May 29, 1996; to the Committee on the Judiciary.

EC–2838. A communication from the Director of the Federal Bureau of Prisons, Department of Justice, transmitting, pursuant to law, the report of a final rule entitled ''Special Food or Meals'' (RIN1120-AA37), received on May 13, 1996; to the Committee on the Judiciary.

EC–2839. A communication from the General Counsel of the Department of Housing and Urban Development, transmitting, pursuant to law, the report of five interim and final rules relative to Low-Income Public Housing Performance Funding System (FR 3760, 3514, 3887, 3718, 3919); to the Committee on Banking, Housing, and Urban Affairs.

EC–2841. A communication from the Assistant Secretary of the Interior (Land and Minerals Management), transmitting, pursuant to law, the report of a rule relative to flaring or venting gas and burning liquid hydrocarbons, (RIN1010–AB96) received on May 13, 1996; to the Committee on Energy and Natural Resources.

EC–2842. A communication from the Chairman of the Federal Energy Regulatory Commission, transmitting, pursuant to law, the annual report for fiscal year 1995; to the Committee on Energy and Natural Resources.

EC–2843. A communication from the Assistant Secretary of the Interior (Indian Affairs), transmitting, pursuant to law, the report of a rule relative to the American Trust Fund Management Reform Act of 1994, (RIN1076–AD28) received on May 16, 1996; to the Committee on Energy and Natural Resources.

EC–2844. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the report on the Youth Conservation Corps for fiscal year 1995; to the Committee on Energy and Natural Resources.

EC–2845. A communication from the Director of the Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a final rule relative to subsistence management regulations for public lands in Alaska (RIN1018-AC82); to the Committee on Energy and Natural Resources.

EC–2847. A communication from the Deputy Associate Director for Compliance, Royalty Management Program, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC–2848. A communication from the Deputy Associate Director for Compliance, Royalty Management Program, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC–2849. A communication from the Assistant Secretary of the Interior for Fish and Wildlife and Parks, transmitting, pursuant to law, the rule concerning the Oregon Caves National Monument, (RIN1024–AC26) received on May 30, 1996; to the Committee on Energy and Natural Resources.

EC–2850. A communication from the Assistant Secretary of the Interior for Fish and Wildlife and Parks, transmitting, pursuant to law, the rule entitled ''The Glacier Bay Vessel Management Plan Regulations, (RIN1024–AC05) received on May 30, 1996; to the Committee on Energy and Natural Resources.

EC–2851. A communication from the General Counsel of the Department of Energy, transmitting, pursuant to law, the rule entitled ''Acquisition Regulation,'' (RIN1991–AB27) received on May 23, 1996; to the Committee on Energy and Natural Resources.

EC–2852. A communication from the General Counsel of the Department of Energy, transmitting, pursuant to law, the rule entitled ''Contractor Litigation Cost Policies,'' received on May 13, 1996; to the Committee on Energy and Natural Resources.

EC–2853. A communication from the Director of the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior, transmitting, pursuant to law, the report of four rules entitled ''The Indiana Regulatory Program,'' (IN132FOR, TX029FOR, IN133FOR, HO003FOR) received on May 23, 1996; to the Committee on Energy and Natural Resources.

EC–2854. A communication from the Director of the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior, transmitting, pursuant to law, the report of twelve rules entitled ''The Indiana Regulatory Program,'' (IN132FOR, TX029FOR, IN133FOR, HO003FOR, MO025FOR, MO026FOR, OK015FOR, IN112FOR, NM036FOR, CO029FOR, VA105, IL089FOR) received on May 22, 1996; to the Committee on Energy and Natural Resources.

EC–2855. A communication from the Director of Regulations Policy, Management Staff, Office of Policy, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, a rule concerning Propylene Glycol, received on May 21, 1996; to the Committee on Labor and Human Resources.

EC–2856. A communication from the Assistant Secretary of Labor for Occupational Safety and Health, transmitting, pursuant to law, the rule entitled ''Personal Protective Equipment in Shipyards,'' (1218–AA74) received on May 22, 1996; to the Committee on Labor and Human Resources.

EC–2857. A communication from the Director of Regulations Policy, Management Staff, Office of Policy, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, a rule concerning drug products, (RIN0910–AA01) received on May 23, 1996; to the Committee on Labor and Human Resources.

EC–2858. A communication from the Assistant General Counsel for Regulations, Department of Education, transmitting, pursuant

to law, the rule entitled ''Training Personnel for the Education of Individuals with Disabilities,'' received on May 23, 1996; to the Committee on Labor and Human Resources.

EC–2859. A communication from the Assistant General Counsel for Regulations, Department of Education, transmitting, pursuant to law, the rule entitled ''Foreign Language Assistance Grants,'' received on May 24, 1996; to the Committee on Labor and Human Resources.

EC–2860. A communication from the Assistant General Counsel for Regulations, Department of Education, transmitting, pursuant to law, the rule entitled ''Foreign Language Assistance Grants,'' received on May 24, 1996; to the Committee on Labor and Human Resources.

EC–2861. A communication from the Assistant General Counsel for Regulations, Department of Education, transmitting, pursuant to law, the rule entitled ''Notice of Final Funding Priorities for Fiscal Years 1996–1997 for a Research and Demonstration Project,'' received on May 29, 1996; to the Committee on Labor and Human Resources.

EC–2862. A communication from the Assistant Secretary of Labor for Employment and Training, transmitting, pursuant to law, the rule entitled ''Unemployment Insurance Program Letter 22–96,'' received on May 31, 1996; to the Committee on Labor and Human Resources.

EC–2863. A communication from the Director of Regulations Policy, Management Staff, Office of Policy, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, a rule concerning chlorofluorocarbon propellants in self-pressurized containers, received on May 31, 1996; to the Committee on Labor and Human Resources.

EC–2864. A communication from the Director of the Office of Regulations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule entitled ''Compensation for Disability Resulting from Hospitalization, Treatment, Examination, or Vocational Rehabilitation,'' (RIN2900–AH44) received on May 23, 1996, to the Committee on Veterans' Affairs.

EC–2865. A communication from the Director of the Office of Regulations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule entitled ''National Cemeteries,'' (RIN2900–AI06) received on May 28, 1996, to the Committee on Veterans' Affairs.

EC–2866. A communication from the Director of the Office of Regulations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule entitled ''Gender Policy for VA Publications and Other Communications,'' (RIN2900–AI09) received on May 28, 1996, to the Committee on Veterans' Affairs.

EC–2867. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a Revenue Procedure 96–33 relative to examination of returns and claims for refund, credit, or abatement, received on May 28, 1996; to the Committee on Finance.

EC–2868. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of Treasury Notice 96–32 relative to weighted average interest rate update, received on May 28, 1996; to the Committee on Finance.

EC–2869. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a Treasury Regulation relative to nonpayroll withheld income taxes, (RIN 1545–AT86) received on May 28, 1996; to the Committee on Finance.

EC–2870. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of Treasury Announcement 96–26 relative to refund requests, received on May 28, 1996; to the Committee on Finance.

EC–2871. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of Treasury Notice 96–24 relative to weighted average interest rate update, received on May 28, 1996; to the Committee on Finance.

EC–2872. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of Revenue Procedure 96–29 relative to closing agreements, received on May 28, 1996; to the Committee on Finance.

EC–2873. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the rule entitled ''Payment by Employer of Expenses for Meals and Entertainment, Club Dues, and Spousal Travel,'' (RIN1545–AS74) received on May 29, 1996; to the Committee on Finance.

EC–2874. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the rule entitled ''Enterprise Zone Facility Bonds,'' (RIN1545–AM01) received on May 29, 1996; to the Committee on Finance.

EC–2875. A communication from the Acting Assistant Secretary of State, Legislative Affairs, transmitting, pursuant to law, the rule entitled ''Nationality Procedures,'' received on May 23, 1996; to the Committee on Foreign Relations.

EC–2876. A communication from the Administrator of the Foreign Agricultural Service, Department of Agriculture, transmitting, pursuant to law, the rule entitled ''Import Quotas and Fees,'' (RIN0551–AA46) received on May 24, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2877. A communication from the General Sales Manager of the Foreign Agricultural Service, Department of Agriculture, transmitting, pursuant to law, a rule relative to agricultural commodities, (RIN0551–AA43) received on May 24, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2878. A communication from the Administrator of the Cooperative State Research, Education, and Extension Services, Department of Agriculture, transmitting, pursuant to law, the rule entitled ''The Rangeland Research Grants Program,'' received on May 24, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2879. A communication from the Administrator of the Agricultural Marketing Services, Department of Agriculture, transmitting, pursuant to law, the rule entitled ''The Fluid Milk Promotion Order,'' received on May 30, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2880. A communication from the Administrator of the Agricultural Marketing Services, Department of Agriculture, transmitting, pursuant to law, the report of three rules relative to Oregon-California Potatoes, received on May 31, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2881. A communication from the Acting Assistant Secretary of State, Legislative Affairs, transmitting, pursuant to law, the report of a certification and justification; to the Committee on Appropriations.

EC–2882. A communication from the Secretary of Defense, transmitting, pursuant to law, a notice relative to eleven retirements; to the Committee on Armed Services.

EC–2883. A communication from the Secretary of Defense, transmitting, pursuant to law, a report relative to a multiyear contract for the C–17 program; to the Committee on Armed Services.

EC–2884. A communication from the Deputy Under Secretary of Defense, transmitting, pursuant to law, the report on the Defense Environmental Quality Program for fiscal year 1995; to the Committee on Armed Services.

EC–2885. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, the report on the possible use of private-sector sources for air transportation of military personnel and cargo; to the Committee on Armed Services.

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 Mrs. BOXER:

S. 1837. A bill to require that 401(k)-type pension plans be subject to the same prohibited transaction rules that apply to traditional defined benefit pension plans; to the Committee on Labor and Human Resources.

By Mr. FAIRCLOTH (for himself and Mr. HELMS):

S. 1838. A bill to require the Secretary of the Treasury to mint and issue coins in commemoration of the centennial anniversary of the first manned flight of Orville and Wilbur Wright in Kitty Hawk, North Carolina, on December 17, 1903; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PRESSLER (for himself, Mr. BURNS, and Mr. STEVENS):

S. 1839. A bill to authorize appropriations for fiscal year 1997 to the National Aeronautics and Space Administration for human space flight; science, aeronautics, and technology; mission support; and Inspector General; and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. PRESSLER (for himself, Mr. GORTON, Mr. HOLLINGS, Mr. BRYAN, and Ms. SNOWE):

S. 1840. A bill to amend the Federal Trade Commission Act to authorize appropriations for the Federal Trade Commission; to the Committee on Commerce, Science, and Transportation.

By Mr. MOYNIHAN (by request):

S. 1841. A bill to reform the Nation's welfare system by requiring work and demanding personal responsibility; to the Committee on Finance.

By Mr. JEFFORDS:

S. 1842. A bill to amend the Employee Retirement Income Security Act of 1974 to improve protections for workers in multiemployer pension plans; to the Committee on Labor and Human Resources.

By Mr. INHOFE (for himself, Mr. LOTT, Mr. THURMOND, Mr. THOMAS, Mr. JEFFORDS, and Mr. COCHRAN):

S. 1843. A bill to provide for the allocation of funds from the Mass Transit Account of the Highway Trust Fund, and for other purposes; to the Committee on Environment and Public Works.

By Mr. MURKOWSKI:

S. 1844. A bill to amend the Land and Water Conservation Fund Act to direct a study of the opportunities for enhanced water based recreation and for other purposes; to the Committee on Energy and Natural Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. BOXER:

S. 1837. A bill to require that 401(k)-type pension plans be subject to the same prohibited transaction rules that apply to traditional defined benefit pension plans; to the Committee on Labor and Human Resources.

THE 401(K) PENSION PROTECTION ACT OF 1996

Mrs. BOXER. Mr. President, today I introduced a bill to protect America's 401(k) retirement savings.

Mr. President, this bill is designed to close a major, unintended loophole in Federal pension law, a loophole that jeapordizes 401(k) pension plans.

The legal protections afforded traditional pension plans are not applied equally to 401(k) pension plans. Traditional pension plans, known as defined benefit pension plans, may not invest more than 10 percent of their assets in securities and real property of the corporation they work for. Federal law further requires that all traditional pension plans investments be diversified. This protection does not uniformly apply to 401(k) plans.

This increases the investment risk to 401(k) plans. This Increased investment risk is borne totally by 401(k) plan members, not by the companies sponsoring the 401(k) plans.

Furthermore, Mr. President, 401(k) plans do not have Pension Benefit Guaranty Corporation insurance, as do traditional pension plans, in the event the employer corporation goes bankrupt. So the protections of diversity become even more urgent.

The protections for traditional plans were wisely put in Federal law when the Pension Reform Act, known as ERISA, was adopted in 1974. The limitations were designed to prevent the recurrence of the many pension scandals that predated the passage of ERISA, scandals in which employers used their employees' pension plans as the company piggy-bank. Scandals in which the sponsoring company went bankrupt and the employees lost not only their jobs, but their pensions.

Unfortunately, these protections do not apply to 401(k) plans. That is an unintended consequence, a quirk of history.

When ERISA was passed, there was no section 401(k). 401(k) was added 4 years later, in 1978, to a section of ERISA governing profit sharing plans, not pension plans. At the time no one thought 401(k) plans would be any more than small supplemental, profit-sharing plans.

At the time, no one predicted that 401(k) plans would become the predominant form of pension plan. Consequently, no one thought to protect them as ERISA protected pension plans. Consequently, Federal law permitted 401(k) plans to invest more than 10 percent of their assets in the employer sponsoring the 401(k)plan. In fact, 401(k) plans are permitted to invest all of their assets in the sponsoring company.

That was hardly noticed when 401(k) was added in 1978; 401(k) plans were tiny—thought of as profit sharing plans. But today, the investment loophole represents a danger to the retirement security of Americans. It is a danger to the 23 million Americans who belong to 401(k) plans. It is a danger to the 675 billion dollars that these Americans have saved in their 401(k) plans.

Today's Wall Street Journal reports just how dangerous it is. The Journal today describes the plight of thousands of employees of Color Tile, Inc. Until January, Color Tile was a major name in retailing, operating 774 stores in 48 States, coast-to-coast. There were 62 stores in my State of California alone.

Suddenly in January, Color Tile went into bankruptcy; 234 stores were closed. Hundreds of employees lost their jobs, many with only 30 minutes notice. The jobs of thousands more are at risk. Unfortunately, so are their pensions.

Color Tile employees were shocked to learn after the bankruptcy that nearly 85 percent of Color Tile's 401(k) assets were Color Tile stores. The 401(k) plan owned 44 stores leased to Color Tile. As a result of the bankruptcy, Color Tile broke many of the leases on stores owned by its employees' 401(k) plan. Moreover, the 401(k) plan borrowed to build many of the stores. Those mortgage-loan payments to the plan's banks still have to be paid, but, because Color Tile repudiated many of the leases, rent payments to pay bank loans are no longer available. As a result, the plan told shocked workers last month, that it isn't ''clear that the plan has sufficient cash to pay the bills, including mortgage payments.''

For Color Tile employees, things could not be much worse. Color Tile's only pension plan is the 401(k) plan. The employees are facing, not only the loss of their jobs, but their pension savings.

This would not be possible if 401(k) plans were protected by the rules that protect traditional pension plans. If my bill had been law, Color Tile's pension plan would not be in jeopardy.

My bill would simply apply the same pension protections to all plans—401(k) and traditional pension plans—that deliver retirement security. For the first time, 401(k) plans would have the same 10 percent conflict-of-interest limitations on investments with the sponsoring company that have always applied to traditional pension plans. It would be illegal to do what Color Tile did to its employees.

It would be illegal for a company to borrow more than 10 percent of its employees 401(k) plan assets—as the company slides into bankruptcy. That's exactly what happened to the employees of Metacor, Inc., of Deerfield Beach, FL. In the 24 months before Metacor filed for bankruptcy, the company used its employees 401(k) plan as a piggy bank. The 401(k) plans made 34 separate loans to Metacor in those 24 months, until nothing was left to loan. Most people believe that was made illegal in 1974 when Congress passed the Pension Reform Act. They are misinformed. Unfortunately, we exempted 401(k) plans. My bill would close that loophole.

The only plans exempted under my bill would be plans designed as true profitsharing plans, stock bonus, or stock option plans—plans not designed specifically for retirement.

My bill also exempts employee-directed 401(k) plans, because employees should be able to waive the 10-percent limitations if they want to. It's their money.

My bill would have protected not only the employees of the 62 Color Tile stores in my State—8 in Orange County alone—but the employees of Color Tile stores everywhere. Had this bill been law, the employees of the 12 stores shut down in Illinois, the 5 stores shut in Wisconsin, the 4 stores shut in Virginia, the 3 stores shut in Michigan, the stores shut in Texas, Oregon, and Minnesota would not be worried today about losing their 401(k) pension plan assets.

Remember many have already lost their jobs, now many are losing their pensions too.

The employees of stores shut in my State, California, in Visalia and San Diego, would not be worried about their 401(k) plan.

Mr. President, I hope my two colleagues—the Senators from the State of Mississippi—are listening. One of you may soon be the majority leader and in a position to greatly help the passage of this bill.

I say to both of them: you can remember the 225 former employees of the Cleveland, MS, Color Tile factory. You can help assure the unfolding tragedy of the Color Tile 401(k) plan will not happen again. You can help pass this bill. I will work with you.

Here is a picture of 12 of those Mississippi employees. This picture was taken at the front gate of the factory after it was closed in February. This picture is America. Unfortunately, it says that America needs better protections for 401(k)'s.

This is Dorsey Kelsey, 57 years old. Dorsey worked at the plant 18 and a half years, as a janitor. Her husband is Robert Kelley. Robert worked at the plant for over 20 years. Between them, Robert and Dorsey had $20,000 in the 401(k) plan. $20,000 that Robert needs, but can't get access to, if he ever will. Robert and Dorsey are why we need this bill.

This is Woodrow ''Moose'' Issacs, 57, also of Cleveland, MS. Moose was a maintenance mechanic and worked at the plant for 38 years. His last statement from the 401(k) plan, as of September 30, 1995, showed he had $57,900 in the plan. A good deal of that money he may never see.

Raymonda Almond, 53, of Boyle, MS was in outside sales. She worked for the plant for 9 years and saved $17,000.

She planned on using the money to supplement her Social Security when she retired. Now she needs it to live on, but cannot get access to it. Some of it she possibly never will see.

She will just have to make do with Social Security.

Paul Locke, 24 years old, worked at the plant for 3½ years. He was a full-time student at Delta State University and worked full time at Color Tile. He saved $4,000, money that he was going to use as a down payment on a house when he graduated. That house will probably have to wait.

I could list the other seven former Color Tile employees in this picture, some holding their children, some holding grandchildren. Suffice to say that collectively this picture represents $199,900 in savings in the 401(k) plan. Saved through years of work at Color Tile. Money that is at risk because the Federal Government is not adequately protecting 401(k) plans.

Mr. President this picture says more than I could ever say about why we need this bill. I ask all my colleagues to join me in protecting 401(k) pension plans—just as well as we protect traditional pension plans.

It is time to close an unintended and unforeseen loophole in ERISA. It is time to apply the 10-percent limitations on conflict-of-interest investments to 401(k) plans. Let us protect 401(k) members just as we protect the members of traditional pension plans.

By Mr. FAIRCLOTH (for himself and Mr. HELMS):

S. 1838. A bill to require the Secretary of the Treasury to mint and issue coins in commemoration of the centennial anniversary of the first manned flight of Orville and Wilbur Wright in Kitty Hawk, NC, on December 17 1903; to the Committee on Banking, Housing, and Urban Affairs.

THE FIRST FLIGHT COMMEMORATIVE COIN ACT

Mr. FAIRCLOTH. Mr. President, I rise today, joined by my colleague from North Carolina, Senator HELMS, to introduce the First Flight Commemorative Coin Act. This revenue-neutral legislation instructs the Treasury Secretary to mint coins in commemoration of the Wright Brothers' historic 1903 flight on the North Carolina coast.

Mr. President, in the cold morning hours of December 17, 1903, a small crowd watched the Wright flyer lift off the flat landscape of Kitty Hawk. Orville Wright traveled just 120 feet—less than the wingspan of a Boeing 747—in his 12-second flight. It was, however, the first time that a manned machine sailed into the air under its own power.

The residents of Kitty Hawk, then an isolated fishing village, thus bore witness to the realization of the centuries-old dream of flight.

The significance of the Wright Brothers' flight reaches far beyond its status as the first flight. There flight represented the birth of aviation. On that morning, aeronautics moved from untested theory to nascent science, and it triggered a remarkable technological evolution.

In fact, just 24 years after their fragile craft rose unsteadily and took to the air, Charles Lindbergh crossed the Atlantic Ocean. In 1947, less than half a century after the pioneer 31 mph flight over Kitty Hawk, Chuck Yeager shattered the sound barrier over the Mojave Desert.

The rapid aeronautical progression, which the Wright Brothers initiated on that December morning in Kitty Hawk, is, of course, remarkable. Mr. President, it was just 66 years after the Wright Brothers' 120-foot flight—a timespan equivalent to the age of many Members of this body—that Neil Armstrong traveled 240,000 miles to plant the American flag on the Moon.

Today, some 86,000 planes lift off from American airports on a daily basis, and air travel is routine. It was with a sprinkling of onlookers, however, that the Wright Brothers ushered in the age of flight on that cold winter morning in Kitty Hawk.

The site of the first flight, at the foot of Kill Devil Hill, was initially designated as a national memorial in 1927 and is visited by close to a half-million people each year.

I think that First Flight Commemorative Coin Act is a most appropriate tribute to the Wright Brothers as the centennial anniversary of the first flight approaches. The coin will be minted in $10, $1, and 50¢ denominations, and its sales will fund educational programs and improvements to the visitor center at the memorial.

These commemorative coins are struck to celebrate important historical events, and, of course, the proceeds are an important revenue source to the custodians of these legacies. The centennial anniversary of the Wright Brothers' flight merits our observance.

Mr. President, I ask my colleagues for their support, and 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. 1838

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 ''First Flight Commemorative Coin Act''.

SEC. 2. COIN SPECIFICATIONS.

(a) DENOMINATIONS.—The Secretary of the Treasury (hereafter in this Act referred to as the ''Secretary'') shall mint and issue the following coins:

(1) $10 GOLD COINS.—Not more than 500,000 $10 coins, each of which shall—

(A) weigh 16.718 grams;

(B) have a diameter of 1.06 inches; and

(C) contain 90 percent gold and 10 percent alloy.

(2) $1 SILVER COINS.—Not more than 3,000,000 $1 coins, each of which shall—

(A) weigh 26.73 grams;

(B) have a diameter of 1.500 inches; and

(C) contain 90 percent silver and 10 percent copper.

(3) HALF DOLLAR CLAD COINS.—Not more than 10,000,000 half dollar coins each of which shall—

(A) weigh 11.34 grams;

(B) have a diameter of 1.205 inches; and

(C) be minted to the specifications for half dollar coins contained in section 5112(b) of title 31, United States Code.

(b) REDUCED AMOUNTS.—If the Secretary determines that there is clear evidence of insufficient public demand for coins minted under this Act, the Secretary of the Treasury may reduce the maximum amounts specified in paragraphs (1), (2), and (3) of subsection (a).

(c) LEGAL TENDER.—The coins minted under this Act shall be legal tender, as provided in section 5103 of title 31, United States Code.

SEC. 3. SOURCES OF BULLION.

The Secretary shall obtain gold and silver for minting coins under this Act pursuant to the authority of the Secretary under other provisions of law, including authority relating to the use of silver stockpiles established under the Strategic and Critical Materials Stockpiling Act, as applicable.

SEC. 4. DESIGN OF COINS.

(a) DESIGN REQUIREMENTS.—

(1) IN GENERAL.—The design of the coins minted under this Act shall be emblematic of the first flight of Orville and Wilbur Wright in Kitty Hawk, North Carolina, on December 17, 1903.

(2) DESIGNATION AND INSCRIPTIONS.—On each coin minted under this Act there shall be—

(A) a designation of the value of the coin;

(B) an inscription of the year ''2003''; and

(C) inscriptions of the words ''Liberty'', ''In God We Trust'', ''United States of America'', and ''E Pluribus Unum''.

(b) SELECTION.—The design for the coins minted under this Act shall be—

(1) selected by the Secretary after consultation with the Board of Directors of the First Flight Foundation and the Commission of Fine Arts; and

(2) reviewed by the Citizens Commemorative Coin Advisory Committee.

SEC. 5. PERIOD FOR ISSUANCE OF COINS.

(a) IN GENERAL.—Except as provided in subsection (b), the Secretary may issue coins minted under this Act only during the period beginning on August 1, 2003, and ending on July 31, 2004.

(b) EXCEPTION.—If the Secretary determines that there is sufficient public demand for the coins minted under section 2(a)(3), the Secretary may extend the period of issuance under subsection (a) for a period of 5 years with respect to those coins.

SEC. 6. SALE OF COINS.

(a) SALE PRICE.—The coins issued under this Act shall be sold by the Secretary at a price equal to the sum of—

(1) the face value of the coins;

(2) the surcharge provided in subsection (d) with respect to such coins; and

(3) the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, overhead expenses, marketing, shipping, and profit).

(b) BULK SALES.—The Secretary shall make bulk sales of the coins issued under this Act at a reasonable discount.

(c) PREPAID ORDERS.—

(1) IN GENERAL.—The Secretary shall accept prepaid orders for the coins minted under this Act before the issuance of such coins.

(2) DISCOUNT.—Sale prices with respect to prepaid orders under paragraph (1) shall be at a reasonable discount.

(d) SURCHARGES.—All sales shall include a surcharge of—

(1) $35 per coin for the $10 coin;

(2) $10 per coin for the $1 coin; and

(3) $1 per coin for the half dollar coin.

(e) MARKETING EXPENSES.—The Secretary shall ensure that—

(1) a plan is established for marketing the coins minted under this Act; and

(2) adequate funds are made available to cover the costs of carrying out that marketing plan.

SEC. 7. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods and services necessary for carrying out the provisions of this Act.

(b) EQUAL EMPLOYMENT OPPORTUNITY.—Subsection (a) shall not relieve any person entering into a contract under the authority of this Act from complying with any law relating to equal employment opportunity.

SEC. 8. DISTRIBUTION OF SURCHARGES.

(a) IN GENERAL.—All surcharges received by the Secretary from the sale of coins issued under this Act shall be promptly paid by the Secretary to the First Flight Foundation for the purposes of—

(1) repairing, refurbishing, and maintaining the Wright Brothers Monument on the Outer Banks of North Carolina; and

(2) expanding (or, if necessary, replacing) and maintaining the visitor center and other facilities at the Wright Brothers National Memorial Park on the Outer Banks of North Carolina, including providing educational programs and exhibits for visitors.

(b) AUDITS.—The Comptroller General of the United States shall have the right to examine such books, records, documents, and other data of the First Flight Foundation as may be related to the expenditures of amounts paid under subsection (a).

SEC. 9. FINANCIAL ASSURANCES.

The Secretary shall take such actions as may be necessary to ensure that minting and issuing coins under this Act will not result in any net cost to the United States Government.

By Mr. PRESSLER (for himself, Mr. BURNS, and Mr. STEVENS):

S. 1839. A bill to authorize appropriations for fiscal year 1997 to the National Aeronautics and Space Administration for human space flight; science, aeronautics, and technology; mission support; and inspector general; and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE NASA AUTHORIZATION ACT FOR FISCAL YEAR 1997

Mr. PRESSLER. Mr. President, today, as chairman of the Senate Committee on Commerce, Science, and Space, I introduced the NASA Authorization Act for fiscal year 1997. The bill is cosponsored by the chairman of our Space Subcommittee, Senator CONRAD BURNS, who has provided the committee with great leadership and direction on space policy matters.

In the past, the main challenges NASA faced were technological. Today, NASA faces a new set of challenges which are mainly budgetary, but they are no less daunting than the Apollo missions to the Moon. To the credit of Administrator Dan Goldin, rather than complain about the current budget challenge faced by the Federal Government, he has faced them head on. Last year, he developed an ambitious budget-cutting plan to reduce his agency's budget by more than $5 billion over the next 5 years. Under the plan, NASA funding would drop from its current level of $13.9 billion to $11.6 billion by the year 2000.

To date, NASA has not revealed precisely how it will make these cuts while at the same time fulfilling its commitment to its major ongoing programs—including multibillion-dollar initiatives like space station and Mission to Planet Earth. There is a growing sense NASA's budget is already cut to the bone and further cuts by Congress might prevent the agency from realizing its bold visions in space science and exploration. With that in mind, my bill is aimed at providing NASA sufficient funding authority to continue the missions and programs that have inspired our Nation and the world.

Mr. President, my bill authorizes $13.7 billion in fiscal year 1997 to support a diverse and forward-looking space program to move NASA into the 21st century. It authorizes all of NASA's major current programs such as Mission to Planet Earth, space station, space science, and aeronautics and, in almost all cases, at their requested funding levels. It also continues funding for the new Reusable Launch Vehicle Program aimed at providing private industry the technology to eventually build a shuttle replacement. The bill contains an authorization for NASA's new radar satellite program which is so critical to U.S. leadership in space science and our competitiveness in the growing satellite remote sensing market.

Mr. President, let me make special mention of certain portions of the bill.

I believe Mission to Planet Earth may be NASA's most important and relevant program. The satellite data from Mission to Planet Earth will deliver direct benefits to the taxpayer in contrast to the speculative spinoffs promised by other space activities. For this reason, the bill fully funds this activity at the requested level of $1.4 billion.

Using the latest satellite technology, Mission to Planet Earth will help researchers understand and predict the global climate trends that affect our lives. As a Senator representing an agricultural State, I have a keen interest in this program's potential to provide detailed data on soil conditions, topography, crops, and other information critical to the farming and ranching community. I also take great pride in the selection of the EROS Data Center in Sioux Falls, SD as one of the regional data centers that will collect and distribute this satellite data.

I am very concerned that, under the new budget constraints in which we find ourselves, some may seek to sacrifice Mission to Planet Earth, and space science in general, to fund space station. That would be a disservice to the Nation and I will oppose any such move strongly.

I am pleased with the direction of the baseline plan for the Mission to Planet Earth Program and am concerned about the possibility of NASA taking any imprudent and unnecessary efforts to restructure the program. Accordingly, the bill specifically prohibits NASA from changing the program unless, 60 days before such action, NASA has reported to Congress on the nature and overall impact of the planned changes.

The bill also provides the full $2.1 billion requested funding for space station. However, this authorization should not be interpreted as a ringing endorsement of that program. I am a longstanding support of the program, but, in recent years, I have become concerned that it has become too expensive, too complex, and too dependent on the contributions of Russia, the latest station partner.

In a June 1995 report, the General Accounting Office [GAO] estimated that the total cost of the design, launch, and operation of the space station will be $94 billion. That is almost seven times the entire annual budget for NASA. Given the history of past missions, it is fair to assume that $94 billion price tag for the program will increase over time. If that happens, we may wake up to find the enormous space station budget has crowded out every other NASA program to become NASA's only mission. Because of my reservations about space station, I may well reconsider my support in the future. But, for now, with the start of the space station assembly only 1 year away, I am supporting full funding in fiscal year 1997 for the space station effort.

The bill also authorizes NASA's Reusable Launch Vehicle Program, which will support the X–33 and X–34 activities to pave the way for the later development by private enterprise of a replacement for the shuttle in the next decade. Employing 1970's technologies and costing $400 million per flight, the shuttle may have outlived its usefulness. However, within today's budget constraints, the Government cannot afford to foot the entire bill for a new multibillion dollar spacecraft development program. That is why the Reusable Launch Vehicle Program, with its emphasis on sharing financing with industry and its goal of moving our national space transportation system toward privatization, seems a viable concept worth pursuing.

The bill also authorizes $35 million for NASA feasibility studies and subsequent development and operations work for a new radar satellite program. Earlier this year, at the urging of the Commerce Committee and the Congress, NASA announced its commitment to study the feasibility of developing a new civilian radar satellite with scientific applications. Because radar satellites have the ability to see through cloud cover, they will dramatically enhance the capability of the Nation's existing optical-based satellite

systems such as Landsat. With Japan, Europe, and Canada already operating radar satellite systems, and with Canada poised to deploy one later this year, the United States cannot afford to be left behind in this critical technology.

In my role as chairman of the Senate Committee on Commerce, Science, and Transportation, it has become apparent to me that small-city, rural States like my home State of South Dakota are often forgotten in our vast $70-billion Federal science and technology enterprise. That part of America wants and deserves to be part of the technological revolution. More importantly, it wants to contribute. It is in the national interest to strengthen the scientific talent, resources, and infrastructure in our rural States through appropriate research, education, and outreach activities. The bill attempts to accomplish this in several ways. It increases funding for the Experimental Program To Stimulate Competitive Research [EPSCoR] from its current level of $4.9 million to $10 million. NASA's EPSCoR Program, was well as similar programs in six other science agencies, have been instrumental in providing Federal funding for academic research in rural States. My bill also funds the efforts of two separate university-led consortia formed to process Mission to Planet Earth satellite date into useful information for the farming and research communities in the Upper Plains States region.

Finally, Mr. President, my bill urges NASA to consider the use of underutilized military and other Federal Government facilities before committing to new leases of the construction of new facilities to fulfill agency requirements. With the end of the cold war and the drawdown of our military infrastructure, we have many facilities and property that are unused or woefully underutilized. In my home State of South Dakota, I can cite the Ellsworth Air Force Base as an example, but every Member in the Senate can no doubt identify an underutilized military facility in his or her State that might be put to some cost-effective use in our U.S. space program. I strongly believe that NASA should start taking a serious look at using some of these valuable assets and properties that have served as the foundation of our national defense before making huge financial commitments to new leases or facilities. My bill would simply require NASA to engage in this kind of review as a matter of agency policy.

Mr. President, I believe NASA is up to the challenge of keeping America preeminent in aeronautics and space despite the intense budget pressure and despite the increasing competition from other spacefaring nations. I am convinced this authorization bill provides NASA with the support it needs to meet that challenge.

• Mr. BURNS. Mr. President, I am proud to be a cosponsor of the NASA authorization bill for fiscal year 1997, introduced by Senator PRESSLER, the chairman of our Commerce Committee. Let me take this opportunity to thank Senator PRESSLER for crafting a bill which provides the funding NASA will need to complete billion-dollar missions like space station and Mission to Planet Earth on schedule and prepare for the next century.

As chairman of the Science, Technology, and Space Subcommittee, I have concerns about NASA's cost-cutting plan to reduce its budget by $5 billion over 5 years and cut its spending to $11.6 billion by the year 2000. The goals and missions of our space agency must be balanced within fiscal responsibility. This legislation authorizes $13.7 billion for NASA in fiscal year 1997. This level, slightly less than the $13.8 billion budget request, will allow NASA to continue all of its major ongoing aeronautics and space programs, including Mission to Planet Earth, space station aeronautics research, and space science and exploration.

The bill authorizes the full $1.4 billion requested by NASA for its Mission to Planet Earth. This program has come a long way in recent years. Originally, it was misperceived as being exclusively focused on global warming and developing justifications for caps and timetables on industry emissions. Now we realize it is much broader than that. From several oversight hearings before the Science Subcommittee, we now know it is really about using satellite technology to help farmers predict weather on a year-to-year basis and measure soil moisture using a desk-top computer. It is about giving land planners, mappers, and foresters a cost-effective tool to help them do their work. It is about mineral exploration and archaeology. In short, Mission to Planet Earth is about using NASA's satellites to help average citizens in their everyday activities. At the University of Montana and other institutions in the Plains States, our researchers are already eager to gather data from the program so they can start developing useful applications for the community. It is time to proceed with carrying out the sound baseline plan for the program and not get sidetracked by calls for delays, cutbacks, and unnecessary studies from vocal opponents of this important initiative. The bill's full funding for Mission to Planet Earth should help the program go forward.

The bill also provides $2.1 billion for the space station account and related activities. After more than a decade of planning and hard work, the United States and its foreign partners will finally start the assembly of the mammoth orbiting laboratory late next year. Let me first say that I wholeheartedly support the space station. I believe the space station represents the next logical step in our manned space exploration program. If successful, this program will demonstrate what great nations can do when combining their talent and resources for peaceful scientific purposes. Beyond that, the space station will help our Nation maintain and strengthen its traditional leadership in aeronautics and space. While I continue to have some concerns about the heavy reliance of the current space station plan on Russian participation, I am optimistic that space station will successfully proceed within budget and on schedule.

I believe that NASA's aeronautics research program is one of the main reasons for our Nation's preeminence in aerospace. Aeronautics is the first A in NASA. Yet, for many years, aeronautics seemed to be reduced to a small A status. It always seemed to take a back seat to the higher profile space missions. However, under Dan Goldin's leadership, that is beginning to change and NASA is giving aeronautics the backing it deserves. For instance, the High Speed Research Program is developing precompetitive technologies in support of supersonic aircraft. It is estimated that the first country to market such an aircraft stands to gain $200 billion in sales and 140,000 new jobs. Similarly, the Advanced Subsonic Technology Program funds research in support of subsonic airplanes—a market that generates 1 million jobs and contributes over $25 billion annually to the U.S. trade balance. These programs are moneymakers and it is in the national interest to give them whatever support they need. Accordingly, our NASA bill authorizes aeronautics research at the requested level of $858 million.

Our bill also provides authorization for NASA's successful collection of technology transfer, education, and outreach activities. These programs have been very effective in allowing our quality research institutions in rural States and regions to contribute to the technological revolution. For instance, last May, our Science Subcommittee heard from Professor Steve Running of the University of Montana about his promising research in the use of remote sensing satellite data in forest and crop management. Our rural States can make an enormous contribution to the civilian space program if only given the chance.

In that connection, the bill provides $10 million for the Experimental Program to Stimulate Competitive Research [EPSCoR] Program—an increase of $5.5 million over the requested level of $4.5 million. This authorized increase reflects the important role that NASA's EPSCoR, as well as its counterparts at other Federal science agencies, has played in supporting vital academic research in rural States like Montana. The bill also includes sufficient funding to enable NASA to continue support for a new Rural Teacher Resource Center and a new Rural Technology Transfer and Commercialization Center to serve the Upper Plains States region. NASA made commitments to those new centers this year to fill in coverage gaps in NASA's outreach programs.

Full funding is also provided for ongoing technology programs to keep NASA on the cutting edge. The bill supports the Reusable Launch Vehicle Program aimed at developing, and flight testing, new technologies to reduce the cost of access to space and eventually lay the foundation for a Shuttle replacement. In addition, there is funding to continue NASA's commitment to a new radar satellite program. Unlike conventional satellites, radar satellites are unaffected by cloud cover or nightfall. Now that Canada, Japan, and Europe have operational systems, it is clearly in the national interest for this country to develop that capability for civilian purposes as soon as practicable.

Finally, Mr. President, I note that the bill contains buyout provisions that we worked out with NASA that are intended to reduce the need for the agency to resort to reductions in force to downsize its work force. We recognize the need for NASA to reduce its 25,000-person work force to meet its budget targets. However, such personnel reductions need to be implemented in a gradual and thoughtful manner, with proper consideration for the personnel affected. It is with that in mind that we have provided the buyout authority in the bill to encourage voluntary separations in support of NASA's downsizing effort.

Mr. President and I urge my colleagues to support this legislation when it is considered by the full Senate later this year.●

By Mr. PRESSLER (for himself, Mr. GORTON, Mr. HOLLINGS, Mr. BRYAN, and Ms. SNOWE):

S. 1840. A bill to amend the Federal Trade Commission Act to authorize appropriations for the Federal Trade Commission; to the Committee on Commerce, Science, and Transportation.

THE FEDERAL TRADE COMMISSION REAUTHORIZATION ACT OF 1996

Mr. PRESSLER. Mr. President, as chairman of the Senate Committee on Commerce, Science, and Transportation, I am pleased to introduce, along with Senators GORTON, HOLLINGS, and BRYAN, the Federal Trade Commission Reauthorization Act of 1996. This bill reauthorizes the Federal Trade Commission [FTC] for 2 years with funding sufficient to maintain current staffing levels.

Congress last reauthorized the FTC in 1994. That authorization was the Commission's first since 1980. In that reauthorization legislation we significantly modified the Federal Trade Commission Act. At present, we see no need to further modify the FTC's authorizing statutes. Therefore, this is an extremely simple piece of legislation. It authorizes funding for the FTC of $107 million for fiscal year 1997 and $111 million for fiscal year 1998. As I mentioned earlier, these authorization levels would simply maintain the existing staffing level of 979 FTE's.

The Federal Trade Commission is a law enforcement agency. The Commission's primary authority is derived from section 5 of the Federal Trade Commission Act through the declaration that ''unfair methods of competition * * * and unfair or deceptive acts or practices'' are unlawful. The FTC's dual mission is to enforce Federal consumer protection laws and antitrust and competition laws. The FTC has enforcement and administrative duties under 37 separate acts.

The Commerce Committee held a hearing on the FTC on May 7, 1996. We are pleased with the general direction of the Commission. Under the leadership of Chairman Pitofsky, and his predecessor, Chairman Steiger, the Commission has established a solid performance record.

No comprehensive controversy surrounds the FTC today as it did in the late 1970's and early 1980's. As one would expect of a law enforcement entity acting in complex and, often, uncertain situations, individual Commission actions are sometimes not met with universal approval. Nevertheless, there is a general consensus that the Commission is functioning efficiently and effectively.

The FTC fulfills its mission with minimal burden on taxpayers because it generates over half its annual operating budget through fees from the corporations it regulates.

I hope the Senate will join Senators GORTON, HOLLINGS, BRYAN, and myself in supporting this legislation. I ask unanimous consent that the bill be printed in the RECORD.

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

S. 1840

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 ''Federal Trade Commission Reauthorization Act of 1996''.

SEC. 2. REAUTHORIZATION.

Section 25 of the Federal Trade Commission Act (15 U.S.C. 57c) is amended by striking ''and not to exceed'' and inserting ''not to exceed'' and by inserting before the period the following: ''; not to exceed $107,000,000 for fiscal year 1997; and not to exceed $111,000,000 for fiscal year 1998''.

By Mr. MOYNIHAN (by request):

S. 1841. A bill to reform the Nation's welfare system by requiring work and demanding personal responsibility; to the Committee on Finance.

THE WORK FIRST AND PERSONAL RESPONSIBILITY ACT OF 1996

Mr. MOYNIHAN. Mr. President, at the request of the administration, I rise to introduce the Work First and Personal Responsibility Act of 1996. This was sent to the President of the Senate and the Speaker of the House of Representatives on April 26, 1996, by Alice M. Rivlin, Director of the Office of Management and Budget.

I do not support this bill, and will indeed oppose it with great conviction. All the same, the President is entitled to the courtesy of having his bills introduced, printed, and referred to the appropriate committee. This particular bill will be referred to the Finance Committee, of which I am the ranking Democratic member. Hence this simple duty falls to me.

I have a further purpose in introducing this bill. As Senators know, it is the fixed practice of the Office of Management and Budget to require a report from the appropriate Department or Departments on the impact an administration measure would have on the area of concern. Such a report is required of legislation passed by Congress and presented to the President for approval. Last October 24, 1995, at the first—and only—meeting of the House-Senate conference on H.R. 4, the House-passed Personal Responsibility Act and the Senate-passed Work Opportunity Act, I stated that ''when fully implemented the time limits in the House bill would cut off benefits for 4,800,000 children.'' This was not a complicated calculation. There are this many children receiving benefits, that many who can expect to receive benefits for more than 5 years, and so forth. The mean stay on AFDC is 12.9 years. I concluded my statement calling on the White House to release a report on the Senate-passed bill which had been prepared by the Department of Health and Human Services.

Three days later, on October 27, 1995, Elizabeth Shogren in the Los Angeles Times reported that the Senate-passed bill, thought to be moderate as compared with the House-passed bill, ''would push an estimated 1.1 million children into poverty and make conditions worse for those already under the poverty line * * *''

The Senate needs to know what would be the poverty impact of this newest administration proposal. It cannot be much less, or so I would think. Bear in mind that OMB estimates $41 billion in Deficit Reduction from fiscal year 1996 through 2002.

I await an early reply from the administration. There has been more than sufficient time to make the calculations. One may be sure that if there were any prospect that the bill would reduce the number of children in poverty, we would have learned this by now.

The problem of understanding within the administration and the Congress, or so it appears to me, is that there is simply too little grasp of just how bad conditions are among America's children. None of us is without responsibility for this. Some protecting the good name of the poor; others assuming knowledge about behavior and behavioral change. Too few following Hippocrates' dictum: Primum non noncere. First do no harm. But it is not too late, if only we will look at the facts.

Two weeks ago, my revered colleague, Representative SAM M. GIBBONS and I requested of the Office of Management and Budget an analysis of S.

1795, the Personal Responsibility and Work Opportunity Act of 1996, which is the latest Republican welfare reform bill. The poverty impact. Today I am also requesting an analysis of the poverty effects of the President's latest proposal. This will be critical for Members to better understand the potential effects on children of both pieces of legislation.

I ask unanimous consent that a summary of the bill and the letter of transmittal from Dr. Alice M. Rivlin, Director of the Office of Management and Budget, be printed in the RECORD.

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

TITLE-BY-TITLE SUMMARY

TITLE I—WORK-BASED ASSISTANCE

Title I repeals the Aid to Families with Dependent Children (AFDC) program and replaces it with a time-limited, work-based Temporary Employment Assistance (TEA) program. TEA continues open-ended Federal matching payments for State expenditures on welfare assistance. It also repeals the Job Opportunities and Basic Skills (JOBS) program and replaces it with a new Work First program. (Funding for JOBS, AFDC Administration, and Emergency Assistance is merged into Work First. Most activities under these programs remain allowable under Work First.) Title I requires welfare recipients to sign personal responsibility contracts and mandates that they work or engage in job training within two years of first receiving benefits.

Title I also requires States to meet welfare recipient work targets. It includes a five-year time limit on the receipt of cash benefits, but allows States to exempt a portion of the caseload from the time limits. Vouchers must be provided to children in families that lose assistance due to the time limit. In addition, Title I provides performance bonuses to States based on their job placement effectiveness. It also gives States the option to deny additional welfare benefits to families that have another child while receiving welfare benefits.

Title I mandates that States operate child abuse prevention and protection, child support enforcement, foster care, and adoption assistance programs as a condition of receiving the Federal match. States also must operate a child care program under the Child Care and Development Block Grant (CCDBG) Act of 1990. Title I amends the CCDBG Act and consolidates the three individual child care programs under current title IV–A of the Social Security Act into one program. Funding for child care is significantly increased. This title also continues the one-year entitlement to transitional Medicaid benefits for families losing welfare benefits due to employment or excess income. In addition, it allows States to enter into demonstration programs to make periodic advances of the earned income tax credit (EITC) to welfare recipients in jobs programs (as opposed to having workers file for the EITC themselves).

TITLE II—CHILD SUPPORT ENFORCEMENT

Title II proposes stringent child support enforcement measures including a State case registry of child support enforcement orders. It improves paternity establishment and requires employers to report new hires to a central State data base. Title II allows States to revoke drivers and professional licenses for parents who refuse to pay child support. It also removes administrative barriers that impede the enforcement of child support orders.

TITLE III—FOOD ASSISTANCE

Title III amends the Food Stamp and Child Nutrition programs. It adjusts the maximum Food Stamp allotment to 100 percent of the Thrifty Food Plan and reduces the standard deduction and indexes it to the Consumer Price Index thereafter. Title III also counts all energy assistance as income and includes a work requirement that makes adults age 18 to 50 with no dependents ineligible for food stamps after six months of each year unless they work 20 hours a week or participate in workfare or training (although eligibility continues if a State fails to supply a training or workfare slot). It also includes State flexibility measures and new program integrity proposals to reduce Food Stamp trafficking and program waste. Finally, Title III better targets food subsidies for family day care homes and makes other minor changes in Child Nutrition programs.

TITLE IV—TREATMENT OF ALIENS

Title IV makes only ''qualified aliens'' eligible for the TEA (formerly AFDC), Supplemental Security Income (SSI), and Medicaid programs. In addition, it gives States the option of applying the same eligibility criteria to State funded needs-based assistance. Title IV also lengthens until citizenship the deeming period during which a sponsor's income is presumed available to support a legal permanent resident should he or she apply for SSI, TEA, or Food Stamps. It makes all future affidavits of support legally binding and provides States the option to extend sponsor income deeming to State funded needs-based cash assistance if the immigrant is denied TEA, SSI, or Food Stamps.

TITLE V—SUPPLEMENTAL SECURITY INCOME REFORMS

Title V tightens eligibility standards for disabled children who receive SSI benefits. Children currently on the rolls who are found no longer eligible would not receive benefits as of January 1, 1998. It creates new guidelines for the Social Security Administration to conduct continuing disability reviews (CDRs).

Title V also creates a dedicated savings account for SSI-eligible disabled children for education, job training, and equipment or housing modifications related to their disability, and allows this account to be excluded from income and resource determinations. It establishes an installment schedule for paying past-due SSI benefit amounts, and authorizes the Commissioner of Social Security to reduce Social Security (OASDI) benefits by the amount of overpayment of SSI benefits without an OASDI beneficiary's consent.

Title V also denies SSI eligibility if drug addiction or alcoholism is the basis for the disability determination. Current SSI recipients who are eligible on the basis of drug addiction or alcoholism will no longer receive benefits as of January 1, 1997. A portion of the savings from this proposal ($50 million annually during FYs 1997–1998) will be used to fund additional drug (including alcohol) treatment programs and services through the Substance Abuse Prevention and Treatment Block Grant program.

Title V also makes individuals convicted in Federal or State court of having fraudulently misrepresented their residence in order to receive welfare benefits from two or more States ineligible to receive SSI for ten years from the date of conviction. It makes fugitive felons ineligible for SSI. In addition, it provides that the appropriation of additional administrative funds to SSA for FYs 1996–2002 for conducting Social Security Disability Insurance and SSI CDRs should trigger an increase, within specified limits, to the discretionary spending caps. The title would also provide authority to increase the discretionary spending caps, within specified limits, upon appropriation of funds for FYs 1996–1997 to the Social Security Administration to implement any changes to the SSI program pursuant to adoption of welfare reform.

Title V provides that when private insurance covers the costs of SSI eligible children in medical care facilities, these children will no longer be eligible for their full SSI benefits. Instead, they will only be eligible to receive the same $30 per month standard amount that Medicaid-covered SSI eligible children receive.

TITLE VI—SOCIAL SERVICES BLOCK GRANTS (SSBG)

This title reduces the amount required to be allotted among States for SSBG under Title XX of the Social Security Act from $2.8 billion to $2.73 billion in FY 1996, and to $2.52 billion for each of FYs 1997–2002.

DEFICIT REDUCTION

The Office of Management and Budget estimates that the Administration's welfare reform proposal saves $41 billion during FYs 1996 through 2002. This total includes $3 billion in savings resulting from the enactment of P.L. 104–121, which extended the debt limit and modified the Social Security Act, and reflects interactions with Medicaid proposals in the President's FY 1997 Budget.

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

Washington, DC, April 26, 1996.

Hon. ALBERT GORE, Jr.,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: I am enclosing for the consideration of the Congress the Administration's ''Work First and Personal Responsibility Act of 1996,'' a comprehensive proposal to reform the Nation's failed welfare system. The President remains committed to working with the Congress to pass a bipartisan welfare reform bill this year that honors the values of work, responsibility, and family. This proposal will end the current welfare system by requiring work, demanding responsibility, strengthening families, and protecting children.

Under this legislative proposal, everyone who can work must go to work, and no one who can work can stay on welfare indefinitely. This proposal replaces Aid to Families with Dependent Children (AFDC) with a time-limited benefit conditioned on work. It imposes tough work requirements and time limits, including a lifetime limit of five years for receipt of welfare benefits. It gives States the means to provide child care that is essential to imposing tough work requirements and moving people from welfare to work. States are given broad new flexibility to tailor welfare reforms to local needs, but are also held accountable for continuing their commitment to move people from welfare to work. The proposal permits adjusting to changing economic circumstances and provides vouchers to meet the most basic needs of children in families whose benefits end.

The Work First proposal demands responsibility as well. It includes the toughest child support enforcement measures ever proposed. The proposal requires minor mothers to live at home and stay in school as a condition of receiving assistance and gives States the option to deny additional benefits for additional children born to parents who are on welfare.

The proposal achieves significant savings by reforming the Food Stamp and Child Nutrition programs, while preserving the national nutritional safety net. The Congressional Budget Office estimates that these reforms would save almost $22 billion over

seven years through provisions such as counting energy assistance as income and tough new program integrity measures to crack down on Food Stamp fraud. The proposal gives States unprecedented flexibility to administer the Food Stamp program, with new work requirements and time limits on able-bodied, childless adults. It continues to index basic benefits with inflation, better targets food subsidies for family day care homes, and makes other adjustments in the Child Nutrition program. The proposal protects children by preserving the school lunch program and important child welfare programs for abused and disabled children.

The proposal achieves substantial savings in other areas by requiring sponsors who bring immigrants into the country to be held legally responsible for their financial well-being, and by better targeting eligibility for childhood disability benefits. It also includes two provisions that are part of the recently enacted Public Law 104–121. The first provision modifies the Social Security Act to deny benefits to adults who are on Supplemental Security Income due to drug abuse or alcoholism. The second provision improves program integrity measures through expanded continuing disability reviews. The savings from these enacted proposals should be applied towards the total savings to be achieved through welfare reform.

The Administration's welfare reform proposal reduces spending by $41 billion over seven years. This total includes the $3 billion in savings resulting from the enactment of Public Law 104–121 and reflects interactions with Medicaid proposals in the President's FY 1997 Budget.

I urge the Congress to act favorably and expeditiously on this important proposal. Welfare reform is at the top of the President's and the Nation's agenda. The Administration is confident that agreement can be reached this year on bipartisan welfare reform legislation that is tough on work and responsibility and serves the interests of our Nation's children. We look forward to working with the Congress to achieve this urgent national goal.

Sincerely,

ALICE M. RIVLIN,
Director.

By Mr. JEFFORDS:

S. 1842. A bill to amend the Employee Retirement Income Security Act of 1974 to improve protections for workers in multiemployer pension plans, to the Committee on Labor and Human Resources.

THE WORKERS PENSION PROTECTION ACT OF 1996

• Mr. JEFFORDS. Mr. President, I introduce the Workers' Pension Protection Act of 1996 in order to level playing field for millions of American workers who participate in multi-employer pension plans. This bill will extend, to them, the protections previously established for workers in single-employer pension plans. First, the legislation harmonizes the rules for all workers by adopting a 5-year vesting requirement which conforms to vesting rules applicable to other qualified pension plans. Furthermore, this bill also protects workers' pension benefits by making sure that these multi-employer plans are sufficiently funded so that the benefits promised today will actually be there for the worker when he retires.

One benefit which has long been extend to workers in single-employer pension plans is the guarantee of benefits after a maximum of 5 years of service. Workers whose employers contribute to multi-employer plans may work for up to 10 years before they are guaranteed to receive any benefits from their pension plan. This bill extends the same 5-year vesting right to multi-employer plan participants.

Many of this country's multi-employer pension plans are significantly under funded by billions of dollars. This legislation targets those bade apples—the under funded plans. This bill addresses the problem with four provisions that are consistent with the pension reform for single employer pension plans that we passed in 1994 as part of the GATT legislation.

First, this bill would prohibit multi-employer plan trustees from increasing pension benefits unless a plan has a 95-percent ratio of assets to current liabilities attributable to employees and their beneficiaries. Pension plans would be required to operate with a balanced budget and could not run in the red as they do now.

Second, this bill would prohibit multi-employer trustees from granting a benefit increase in a multi-employer plan which satisfies the 95-percent ratio if the increase would reduce this ratio below 90 percent. In addition, should the ratio drop due to fluctuations in the market or other changes in the funding valuation, the trustees could not increase benefits again until they retain the 90-percent ratio. These ratios will allow multi-employer pension plans to operate at full funding yet maintain the discretion to rely on actuarial analysis in modifying benefit levels.

Third, multi-employer plans would be required to use a single, identified interest rate and mortality table assumptions in all calculations for all players. As in the single employer pension reform legislation in 1994, the interest rates and mortality tables must be standardized and should conform with the most recent data. As a result, these plans could not continue to use one rate when reporting to the Government and different rate when determining liability associated with under funding. This is the same commonsense approach that was applied to single employer pension plans when the GATT legislation was passed.

Finally, as did the GATT legislation, this bill would require that plan trustees provide notification of their financial status on annual basis to participating employees in easily understood terms. Once and for all participants and beneficiaries will begin to understand how secure there pension benefits really are because these interests rates more accurately predict the return on investment than current rates permitted for multi-employer plans. With a better understanding of the worth of their pension benefits workers can make informed decisions about their future retirement needs.

In the last Congress, we took significant and necessary steps to reform the pension laws for retirement security for millions of American workers. Unfortunately, a large segment of the work force was left behind and is in need of similar protection. Union employees participating in multi-employer pension plans have been contributing hard earned dollars to these plans with the expectation of receiving $2,000 to $3,000 a month when they retire. They are not aware that, if their plan goes belly-up due to significant under funding, they could receive less than $500 a month. This legislation will ensure that the pension benefits, union employees have worked so hard for and are depending on, will be there when they are ready to retire.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD.

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

SECTION-BY-SECTION ANALYSIS

SECTION 101

Section 101 prohibits multiemployer pension plan trustees from increasing benefits unless the plan is operating with at least 95 percent funding. If a plan satisfies this minimum funding requirement, it may choose to increase benefits if the benefit increase would not reduce the funding levels to below 90 percent. The plan would then be required to reach 95 percent funding again before increasing benefits.

This section also requires multiemployer plans to use the interest rate assumptions and the mortality tables that were passed into law in the 1994 GATT legislation for single-employer pension plans. These interest rates more accurately predict the return on investment than the current rates permitted for multiemployer plans. Furthermore, the mortality tables currently relied on by multiemployer plans date back to 1971 while the GATT legislation required that single-employer plans rely on more current data. This section requires that multiemployer plans rely on the current mortality tables.

SECTION 102

Section 102 amends ERISA by modifying the anti-cutback rule contained in ERISA §204(g). This provision is necessary in order to revoke any trustee action which violates the other provisions of this bill.

SECTION 103

Section 103 requires multiemployer plan administrators to notify plan participants, beneficiaries and contributing employers of the plan's funded status and the limits of the PBGC's guarantee should the plan terminate while underfunded. The notice must be written in a manner which can be understood by the average plan participant. This provision duplicates the notice requirements for single-employer plans contained in the GATT legislation.

SECTION 201

Section 201 requires multiemployer plans to adopt the interest rate and mortality tables used by single-employer plans as mandated in the GATT legislation for all purposes. For a description of these interest rate and mortality table requirements, *see* Section 101 above.

SECTION 301

Section 301 provides employers the right to seek an injunction against a plan to prevent an impermissible benefit increase. The sole relief available to employers is an injunction against trustees to enforce the provisions contained in this bill.

SECTION 302

Section 302 is modeled on ERISA Section 502(g)(I) and permits a court, in its discretion, to award reasonable attorney's fees and costs to either party in actions brought under Section 301. This Bill does not provide for either compensatory or punitive damages.

SECTION 303

Section 303 expands the list of civil actions which may be brought by the PBGC to include section 101, 102, 103 and 201. The Bill gives the PBGC, and not the U.S. Department of Labor, the concurrent power of enforcement of the Bill's provisions because the PBGC is financially responsible for guaranteed benefits.

SECTION 401

Section 401 conforms the vesting rules for multiemployer plans to the rules applicable to other qualified plans by requiring that a worker's accrued benefits be 100-percent vested no later than upon the participant's completion of 5 years of service rather than the current 10-year period.

EFFECTIVE DATES

The effective dates for the first three titles in this Bill shall apply to plan years beginning after December 31, 1996. Section 401 would be effective for plan years beginning on or after the earlier of (1) the later of December 31, 1996, or the date on which the last collective bargaining agreements pursuant to which the plan is maintained terminates, or (2) January 1, 1999, with respect to participants with an hour of service after the effective date.●

By Mr. INHOFF (for himself, Mr. LOTT, Mr. THURMOND, Mr. THOMAS, Mr. JEFFORDS, and Mr. COCHRAN):

S. 1843. A bill to provide for the allocation of funds from the mass transit account of the highway trust fund, and for other purposes; to the Committee on Environment and Public Works.

MASS TRANSIT LEGISLATION

● Mr. INHOFE. Mr. President, I introduce legislation that attempts to level the playing field for transit donor States across the country. In addition to myself, Senators LOTT, THURMOND, THOMAS, JEFFORDS, and COCHRAN are all original cosponsors.

Federal transit dollars are distributed according to the Federal Transit Act as amended by the Intermodal Surface Transportation Efficiency Act [ISTEA]. Similar to highway dollars, transit dollars are collected at the gas pump and are distributed by both formula and discretionary grants.

States such as Oklahoma that do not receive back all of the revenues that they send to the Federal mass transit account are considered donor States. Unfortunately, these States are not getting nearly as much back in Federal funding as they contribute. My proposal is designed to address this critical transit problem. Each State that contributes $45 million or less into the Federal mass transit account will be guaranteed to receive back no less than 80 percent of its apportionment.

States should be able to expect local dollars to be used for local transit needs. Oklahoma-generated revenues should be remitted back to Oklahoma to provide for improved public transportation for Oklahomans, not urban mass transit systems in other States. This bill will put equity into the mass transit apportionment system by returning these locally generated dollars home.●

By Mr. MURKOWSKI:

S. 1844. A bill to amend the Land and Water Conservation Fund Act to direct a study of the opportunities for enhanced water based recreation and for other purposes; to the Committee on Energy and Natural Resources.

THE NATIONAL RECREATION LAKES STUDY ACT OF 1996

Mr. MURKOWSKI. Mr. President, this is an important time of the year for Americans: It is among the first weeks of the summer vacation and recreation season, and it is National Fishing Week.

Millions of Americans are either tuning their boat engines, tying flies, dusting off their hiking boots, squeezing into their bathing suits, or putting on their water skis. In short, we're ready to go, and the vacation rush is on. Many people got a jump start last week, heading to lakes or national parks. Being lucky enough to be in Alaska, I was able to steal a couple days myself. If you want to hear my big fish stories, ask me later.

This is also an important week for at least three other reasons: I am introducing legislation to help increase recreational opportunities on this Nation's lakes and rivers; the Senate Committee on Energy and Natural Resources holds a hearing Tuesday on S. 1703, my legislation raising millions of dollars for our national parks; and the House and Senate conference is working to resolve the differences on the most important parks and conservation legislation in a decade.

Let's take a moment to take stock of some of this Nation's natural bounty and talk about a couple areas where we can take action to protect and enhance it. Let's start with the recreation lakes initiative.

The Recreation Roundtable recently reported that a body of water—a lake, river, or ocean—is the primary choice for 40 percent of Americans' recreational destination. Nearly 17 million boats are in use in this Nation, and sales of boats and boating goods are on the upswing. Fishing and the bragging rights that go along with it are two of Americans' favorite pastimes.

But, when it comes to our thousands of bodies of water, both natural and man made, are we using our resources as wisely as we should? Are we living up to our recreational potential? We probably are not.

In addition to the many natural lakes and rivers with which this Nation is blessed, we also have an enormous resource in man-made reservoirs built by Federal, State and local agencies, as well as private entities. For important practical, financial, and legal reasons, most public resources in these areas must first go to purposes such as flood control, navigation, and water supply. But, even after meeting those requirements, there is a lot of untapped recreational potential in almost every State.

The recreation lakes initiative I am introducing today will reinvigorate the public-private partnership between States, the Federal Government, and private entities to make the most of our public, water-based recreational opportunities.

While this bill concerns public assets, the private sector plays a very important role. Did you know our national forest lands provide over one-half of all skiing in the United States without the Federal Government building one lift or one ski lodge? My legislation will help build a true partnership to make the recreation on or near our man-made lakes available to all Americans.

My legislation will kick-start this partnership by bringing together Federal agencies, State and local governments, and recreation users and providers to make specific recommendations about how we can use our vast untapped recreational potential. While protecting the integrity of our lakes and reservoirs for their primary purposes, they will be charged with finding ways to make them more available to Americans.

The prudent use of these resources will protect the environment, help local communities and decrease the demand for other, overburdened resources. It will also help bring days of joy to thousands of Americans who are brought in closer touch with the great outdoors.

Speaking of the great outdoors, I want to say a few words about our national parks. This week marks the beginning of the summer vacation season, and our national parks are a main destination.

From the majesty and colors of the Grand Canyon—to the excitement of Old Faithful—to the remote beauty of Alaska's national parks, millions of Americans are traveling thousands of miles to catch a glimpse of our natural heritage. While the beauty and excitement is still there, American are facing some unsightly problems when they reach their vacation destinations. For many years, the National Park Service has struggled with a growing maintenance backlog. Increased park use and the addition of more new parks have stretched Federal park dollars to the hilt. Now, with Federal funds already tight, the National Park Service's park maintenance backlog stands at $4 billion.

The time has come to make needed repairs and to restore the luster to some of our crown jewels. We need an infusion of cash no Congress and no President could provide overnight. It is unfortunate some in this administration has chosen election-year rhetoric over substance to try and meet these needs. Federal funds can and will keep our parks open and running. But we need private funds—like those that

flowed in to restore the Statue of Liberty and Ellis Island—to help pay for the backlog of repairs in our parks.

My legislation—introduced April 25 and scheduled for a hearing this Thursday—will generate $100 million a year or more for our national parks.

It provides the National Park Foundation the means to collect funds from individuals, foundations, and corporations. It gives this official fundraising arm of the National Park Service the authority to engage in appropriate business relationships, similar to those already enjoyed by the National Fish and Wildlife Foundation, the National Forest Foundation, and the U.S. Olympic Committee.

Rather than allowing movie executives, advertisers, and publishers to continue making millions off the intellectual property and assets of our parks for next to nothing, my bill will allow our parks to get something in return. It will provide a responsible way to reduce our National Park Service's long-term maintenance backlog.

Our natural and recreational assets must be conserved and enjoyed by Americans. As we enter the summer vacation months, we must take the extra steps needed to make this possible. These two bills—our recreation lakes initiative and my bill to provide $100 million a year for maintenance of our national parks—are a good start.

We continue to work on park concessions and entrance fee reforms. A House-Senate conference committee also continues to meet to work out the details on my omnibus 60-plus item parks and conservation package. From the Selma to Montgomery National Historical Trail to the San Francisco Presidio to lands needed for the Winter Olympics, the beneficial effects of this legislation will be felt in every State.

As I stated, I am introducing legislation on a recreation lakes initiative and I ask unanimous consent that a copy of the legislation be printed in the RECORD. I want to emphasize that the study mandated by this bill will rely on existing data and is designed to develop creative solutions to involve the private sector. We do not need an elaborate multiyear effort to produce volumes to gather dust on the shelves. What we need is a thoughtful exchange of views on how best to develop the recreational potential at our Federal, man-made lakes and reservoirs, without diminishing or adversely affecting the purposes for which those areas were established.

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

S. 1844

Be it enacted by the Senate and the House of Representatives of the United States in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Recreation Lakes Study Act of 1996''.

SEC. 2. FINDINGS AND PURPOSES.

The Congress finds that the federal government, under the authority of the Reclamation Act and other statutes, has developed man-made lakes and reservoirs that have become a powerful magnet for diverse recreational activities and that such activities contribute to the well-being of families and individuals and the economic viability of local communities. The Congress further finds that in order to further the purposes of the Land and Water Conservation Fund, the President should appoint an advisory commission to review the current and anticipated demand for recreational opportunities at federally-managed man-made lakes and reservoirs through creative partnerships involving federal, State and local governments and the private sector and to develop alternatives for enhanced recreational use of such facilities.

SEC. 3. COMMISSION.

The Land and Water Conservation Fund Act of 1965 (P.L. 88–578, 78 Stat. 897), as amended, is further amended by adding the following new section 13:

''SEC. 13. (a) The President shall appoint an advisory commission to review the opportunities for enhanced opportunities for water based recreation which shall submit a report to the President and to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives within one year from the date of enactment of this section.

''(b) The members of the Commission shall include:

(1) The Secretary of the Interior, or his designee;

(2) The Secretary of the Army, or his designee;

(3) The Chairman of the Tennessee Valley Authority, or his designee;

(4) The Secretary of Agriculture, or his designee;

(5) A person nominated by the National Governor's Association;

(6) Four persons familiar with the recreation and tourism industry, at least one of whom shall be familiar with the economics and financing of recreation related infrastructure.

''(c) The President shall appoint one member to serve as Chairman. Any vacancy on the Commission shall be filled in the same manner as the original appointment. 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. The Secretary of the Interior shall provide all financial, administrative, and staffing requirements for the Commission, including office space, furnishings, and equipment. The heads of other federal agencies are authorized, at the request of the Commission, to provide such information or personnel, to the extent permitted by law and within the limits of available funds, to the Commission as may be useful to accomplish the purposes of this section.

''(d) The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as it deems advisable: *Provided,* That, to the maximum extent possible, the Commission shall use existing data and research. The Commission is authorized to use the United States mail in the same manner and upon the same conditions as other departments and agencies of the United States.

''(e) The report shall review the extent of water related recreation at federal man-made lakes and reservoirs and shall develop alternatives to enhance the opportunities for such use by the public. In developing the report, the Commission shall (1) review the extent to which recreation components identified in specific authorizations associated with individual federal man-made lakes and reservoirs have been accomplished, (2) evaluate the feasibility of enhancing recreation opportunities at federally-managed lakes and reservoirs under existing statutes, (3) consider legislative changes that would enhance recreation opportunities consistent with and subject to the achievement of the authorized purposes of federal water projects, and (4) make recommendations on alternatives for enhanced recreation opportunities including, but not limited to, the establishment of a National Recreation Lake System under which specific lakes would receive national designation and which would be managed through innovative partnership-based agreements between federal agencies, State and local units of government, and the private sector. Any such alternatives shall be consistent with and subject to the authorized purposes for any man-made lakes and reservoirs and shall emphasize private sector initiatives in concert with State and local units of government.''

ADDITIONAL COSPONSORS

S. 814

At the request of Mr. MCCAIN, the name of the Senator from Oklahoma [Mr. NICKLES] 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. 1150

At the request of Mr. SANTORUM, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 1150, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the Marshall Plan and George Catlett Marshall.

S. 1233

At the request of Ms. MIKULSKI, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 1233, a bill to assure equitable coverage and treatment of emergency services under health plans.

S. 1237

At the request of Mr. HATCH, the name of the Senator from California [Mrs. FEINSTEIN] was added as a cosponsor of S. 1237, A bill to amend certain provisions of law relating to child pornography, and for other purposes.

S. 1420

At the request of Mr. STEVENS, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 1420, a bill to amend the Marine Mammal Protection Act of 1972 to support International Dolphin Conservation Program in the eastern tropical Pacific Ocean, and for other purposes.

S. 1437

At the request of Mr. THURMOND, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 1437, a bill to provide for an increase in funding for the conduct and support of diabetes-related research by the National Institutes of Health.

S. 1512

At the request of Mr. LUGAR, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 1512, A bill to amend title 23, United States Code, to improve safety at public railway-highway crossings, and for other purposes.

S. 1578

At the request of Mr. FRIST, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor 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. 1610

At the request of Mr. BOND, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 1610, a bill to amend the Internal Revenue Code of 1986 to clarify the standards used for determining whether individuals are not employees.

S. 1612

At the request of Mr. HELMS, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1612, a bill to provide for increased mandatory minimum sentences for criminals possessing firearms, and for other purposes.

S. 1735

At the request of Mr. PRESSLER, the names of the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Oregon [Mr. WYDEN], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of S. 1735, a bill to establish the U.S. Tourism Organization as a nongovernmental entity for the purpose of promoting tourism in the United States.

S. 1757

At the request of Mr. FRIST, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of S. 1757, a bill to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the act, and for other purposes.

S. 1836

At the request of Mr. SANTORUM, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1836, a bill to designate a segment of the Clarion River, located in Pennsylvania, as a component of the National Wild and Scenic Rivers System, and for other purposes.

SENATE JOINT RESOLUTION 52

At the request of Mr. KYL, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of Senate Joint Resolution 52, a joint resolution proposing an amendment to the Constitution of the United States to protect the rights of victims of crimes.

SENATE CONCURRENT RESOLUTION 63

At the request of Mrs. KASSEBAUM, the names of the Senator from South Dakota [Mr. DASCHLE], the Senator from Indiana [Mr. LUGAR], the Senator from Oklahoma [Mr. NICKLES], the Senator from New Mexico [Mr. BINGAMAN], the Senator from North Dakota [Mr. DORGAN], the Senator from Montana [Mr. BURNS], the Senator from Montana [Mr. BAUCUS], and the Senator from Oklahoma [Mr. INHOFE] were added as cosponsors of Senate Concurrent Resolution 63, a concurrent resolution to express 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, and for other purposes.

SENATE RESOLUTION 257

At the request of Mr. FORD, the names of the Senator from Georgia [Mr. COVERDELL], the Senator from Wisconsin [Mr. KOHL], the Senator from Arizona [Mr. MCCAIN], the Senator from Louisiana [Mr. BREAUX], the Senator from Mississippi [Mr. LOTT], and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of Senate Resolution 257, a resolution to designate June 15, 1996, as ''National Race for the Cure Day.''

AMENDMENTS SUBMITTED

DISASTER RESERVE SENSE-OF-THE-CONGRESS CONCURRENT RESOLUTION

KASSEBAUM AMENDMENT NO. 4042

Mr. BURNS (for Mrs. KASSEBAUM) proposed an amendment to the concurrent resolution (S. Con. Res. 63) to express 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, and for other purposes; as follows:

On page 2, line 3, insert ''and other adverse weather'' after ''drought''.

On page 2, line 9, strike ''the prolonged drought'' and insert ''disaster conditions, such as prolonged drought or flooding''.

THE EUFAULA LAKE PROJECT ACT OF 1996

NICKLES AMENDMENT NO. 4043

Mr. BURNS (for Mr. NICKLES) proposed an amendment to the bill (S. 1406) to authorize the Secretary of the Army to convey to the city of Eufaula, OK, a parcel of land located at the Eufaula Lake project, and for other purposes; as follows:

On page 2, line 7, strike the words ''approximately 4'' and insert in lieu thereof ''approximately 12.5''.

NOTICE OF HEARING

SPECIAL COMMITTEE ON AGING

Mr. COHEN. Mr. President, I wish to announce that the Special Committee on Aging, in conjunction with the Committee on Appropriations, will hold a hearing on Wednesday, June 12, 1996, at 9:30 a.m., in room 138 of the Dirksen Senate Office Building. The hearing will discuss increasing funding for biomedical research.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. COATS. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Wednesday, June 5, 1996, to consider the possible need for changes to the Commodity Exchange Act.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. COATS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, June 5, 1996, to conduct a hearing on S. 1815, the Securities Investment Promotion Act of 1996.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. COATS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet in executive session during the session of the Senate on Wednesday, June 5, 1996, at 9:30 a.m.

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

COMMITTEE ON SMALL BUSINESS

Mr. COATS. Mr. President, I ask unanimous consent that the Committee on Small Business be authorized to meet during the session of the Senate for an oversight hearing on Wednesday, June 5, 1996, which will begin at 10 a.m. in room 428A of the Russell Senate Office Building. The hearing is entitled ''Implementation of the Small Business Agenda.''

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

SPECIAL COMMITTEE ON AGING

Mr. COATS. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet during the session of the Senate on Wednesday, June 5 at 9:00 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.

SPECIAL COMMITTEE TO INVESTIGATE WHITEWATER DEVELOPMENT CORPORATION AND RELATED MATTERS

Mr. COATS. Mr. President, I ask unanimous consent that the Special Committee To Investigate Whitewater Development Corporation and Related Matters be authorized to meet during the session of the Senate on Wednesday, June 5, 1996, to conduct an executive session pursuant to Senate Resolution 120.

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

SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. COATS. Mr. President, I ask unanimous consent that the Subcommittee on East Asian and Pacific Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 5, 1996, at 10 a.m.

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

SUBCOMMITTEE ON INVESTIGATIONS

Mr. COATS. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, June 5, 1996 to hold hearings on security in cyberspace.

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

ADDITIONAL STATEMENTS

TRIBUTE TO 100 YEARS OF THE OREGON SYMPHONY

• Mr. HATFIELD. Mr. President, I am pleased to share with my colleagues today a piece of history that is being realized in Oregon this year. The celebration of the 100th anniversary of the Oregon Symphony is truly a grand accomplishment. The Oregon Symphony has entertained, hosted, and delighted audiences all over the world, myself included.

In 1896 the Portland Symphony Society was founded, with the first symphony conducted by W.H. Kinross performing in October of that same year. Now, 100 years later and still going strong, the symphony is the sixth oldest symphony in the United States, and the oldest symphony west of the Mississippi River.

The Oregon Symphony is truly that, a symphony for all of Oregon to enjoy. The symphony is not confined to its home in downtown Portland. It is not confined by the glorious Cascade mountain range. What makes this symphony so unique is the ability it has to reach out to all of the citizens of Oregon. The symphony plays in front of audiences in school gymnasiums, parks, and small auditoriums. Wherever there is a demand in the State for the Oregon Symphony, the symphony will go.

Recently the symphony played in a full gymnasium in Burns, OR. This small community with a population of 2,880, is located in the remote eastern high desert portion of the State. The town of Burns enthusiastically welcomed the symphony. The townspeople gladly rolled up their sleeves and with their own hands built a proper stage for the symphony members in the schools gymnasium. The town of Burns sold 760 tickets for the event, a complete sellout. This concert is a true testimony to what the symphony means to the citizens of Oregon.

When the symphony cannot travel, it often makes arrangements for free concerts in Portland. The symphony routinely plays for schoolchildren from all over the State in the Arlene Schnitzer Concert Hall, showcasing their talents and educating the children in the arts.

One of the greatest moments in the history of the symphony was in 1980 with the appointment of Maestro James DePreist as music director and conductor. Under Maestro DePreist the Symphony is no longer made up of volunteer musicians, the symphony now draws some of the finest professional musicians in the country. In 1987 the professionalism of the symphony shone through as they released their first recording.

Today, the Oregon Symphony is truly something to be proud of.

Whether playing in front of a sold out audience in a high school gym in Burns, OR, or in the elegant surroundings of the Arlene Schnitzer Concert Hall, the symphony amazes and entertains crowds with a triumphant and magnificent sound. I would like to thank the Oregon Symphony, and wish it 100 more glorious years.•

TRIBUTE TO CAPT. GEORGE H. HUBAN, U.S. NAVY

Mr. NUNN. Mr. President, I rise to take this opportunity to honor Captain George Huban who will retire shortly from the U.S. Navy after 28 years of faithful service to our Nation.

Captain Huban is a 1968 graduate of the U.S. Naval Academy. Following his commissioning, Captain Huban served aboard the destroyer USS *Noa* in Southeast Asia during the Vietnam War. He later attended the Supply Corps School and served as Supply Officer on the attack submarine USS *Haddock*. Captain Huban then went on to a variety of tours including Squadron Supply Officer to ballistic missile Submarine Squadron Fifteen; contracting officer at the Naval Sea Systems Command; assistant to the Deputy Chief of Naval Operations; Supply Officer, USS *Pugent Sound;* and Commander, Sixth Fleet Supply, where he coordinated logistics support for fleet operations off the coast of Lebanon.

Following these tours, Captain Huban served at several senior staff positions. From 1986 to 1988, he served as Executive Assistant to the Deputy Comptroller of the Navy and was then named Assistant Director of Acquisition Policy in the Office of the Assistant Secretary of the Navy. Captain Huban then served as Director of Supply Corps Personnel at the Naval Supply Systems Command in Washington, DC.

His final tour in the Navy was as the Commanding Officer of the Navy Supply Corps School in Athens, GA. Although Captain Huban was born in Vermont, the residents of Athens, GA, welcomed him and now consider him one of their own. I am certain he will continue to play in active role in the community following his retirement. While serving as Commanding Officer at the Navy Supply Corp School, he has been instrumental in providing the highest quality of logistics training to officers and enlisted personnel not only to Navy personnel but to all U.S. service personnel, armed forces personnel of many of our allied nations, and Department of Defense civilian personnel. Captain Huban will be followed by Captain John Drerup as Commanding Officer at the Supply Corps School.

A man of Captain Huban's character and dedication is rare indeed. His outstanding service will be genuinely missed, and I am pleased to recognize him before the U.S. Senate. Let me also recognize his wife Patricia and daughter Cristin. The sacrifices they have made in support of Captain Huban's service are equally noteworthy. I wish him and his family all the best as he brings to a close a long and distinguished career in the U.S. Navy.

WEST ANCHORAGE HIGH SCHOOL STUDENTS

• Mr. STEVENS. Mr. President, I would like to recognize an outstanding group of students from West Anchorage High School in Anchorage, AK. Twenty-three young people, from my home State, were recently in Washington, DC to compete in the We the People . . . the Citizen and the Constitution national finals. They successfully competed against 49 other classes from around the Nation and demonstrated a thorough understanding of the fundamental ideals and values of American constitutional democracy.

The program, administered by the Center for Civic Education is the most comprehensive of its kind, reaching more than 22 million students at the elementary, middle, and high school levels in its 9 year history. The national finals, in which these students competed, simulated a congressional hearing whereby students testified as constitutional experts before a panel of judges.

I commend the following students and their teacher, Roberta McCutcheon, for their determination and dedication to such a worthwhile competition: Susan Angst, Jessica Burton, Nathan Carr, Amber Christensen, Allen Clendaniel, Claire Dennerlein, Theodore Dickson, Whitney Faulkner, Clifford Haywood, Todd Holway, Anne Kelly, Lori LeMaster, Brooke Maury, Amber Popken, Joanna Resari, Thomas Sardy, Kivlina Shepherd, Lisa Stokes, Ian Street, Zareena Tran, Kate Weber, Justin Weeks, and Kiao-Le Zhao.•

1996 ANNUAL REPORTS: BOARD OF TRUSTEES OF THE SOCIAL SECURITY AND MEDICARE TRUST FUNDS

FINANCIAL STATUS OF MEDICARE AND SOCIAL SECURITY

• Mr. MOYNIHAN. Mr. President, in their annual report released today, the

board of trustees of the Federal hospital insurance trust fund estimated that the assets of the trust fund—Part A of the Medicare Program—will be exhausted by the end of calendar year 2001. Last year's estimate was 2002. As ominous a statement as this may seem, it is meaningless. In point of fact, Medicare part A outlays have exceeded payroll tax collections since 1992, when a cash flow deficit appeared of approximately $3 billion—a deficit funded with general revenues. Medicare part A outlays that year were $85 billion, while payroll tax collections were only $82 billion.

The trustees of the old age, survivors, and disability insurance trust fund also issued their annual report today. They estimate exhaustion of the old age, survivors, and disability insurance trust fund in the year 2029. Last year's estimate was 2030. Again, meaningless. Social Security outlays will exceed payroll taxes in the year 2012. By the year 1997, outlays for Social Security and Medicare part A will exceed payroll tax collections for Social Security and Medicare. According to the 1996 trustees' reports, combined outlays for Social Security and Medicare part A in 1997 will be $514 billion; payroll tax receipts will be only $506 billion. And the combined deficit for the two programs will grow rapidly thereafter, reaching almost $100 billion in about 10 years.

EFFECT OF MEDICARE AND SOCIAL SECURITY ON THE FEDERAL BUDGET

Prior to 1992, during the period in which Medicare part A payroll taxes generally exceeded outlays, the program contributed to a reduction in the overall deficit. This is because the deficit calculation is based on the unified budget, and the trust fund into which Medicare payroll tax collections are deposited is merely an accounting device. It is irrelevant for purposes of calculating the deficit. Since 1992, with outlays consistently exceeding payroll tax collections, Medicare part A has been adding to the deficit. If Medicare and Social Security are in the black, they reduce the deficit. If they are in the red, the deficit is increased.●

EXPLANATION OF SELECTED VOTES TO THE SENATE BUDGET RESOLUTION

●Mr. ABRAHAM. Mr. President, similar to last year's consideration of the budget resolution, the Senate considered a near-record number of amendments this year, many of which were offered after time had expired and voted upon without debate. Since time was limited then, I want to spend a few moments now to offer explanations for several of the more critical votes.

As with last year's budget, several amendments were offered which targeted increased spending to certain areas of the budget. These included a Boxer amendment to increase by $18 billion Medicaid spending, a Byrd amendment to increase domestic discretionary spending by $65 billion, and a Kerry amendment to provide $7.3 billion in increased funding for the EPA, national parks, NOAA, and other areas. In all three cases, these spending increases were offset with increased taxes.

Mr. President, while I strongly support many of the programs targeted by these amendments, it will be extremely difficult for Congress to balance the budget if we choose to raise taxes every time we want to fund additional programs. By opting to tax and spend our way out of tight budgets, we are simply putting off the difficult choices which must be made. For this reason, I opposed these amendments.

Another amendment I opposed was the Domenici amendment to provide an additional $4 billion in domestic discretionary outlays for next year. I applaud the chairman of the Budget Committee for working hard to restrain spending and I support many of the programs that this additional funding would assist, including education funding. But while the actual programs benefiting from this amendment are undefined, it definitely moves us away from our goal of restraining the growth of government spending and balancing the budget. As was pointed out during the debate, this amendment would raise domestic discretionary spending $17 billion above the level that was called for in last year's budget resolution. In my mind, that is simply too much.

Another amendment dealing with taxes was the Wellstone amendment expressing the sense of the Senate that, once the $500 per child family tax credit had been adopted, the next priority for the Finance Committee should be legislation to provide a tax deduction of up to $10,000 for higher education tuition expenses.

Mr. President, this amendment does not debate the propriety of enacting tax cuts. Instead, it focuses upon who is best suited to decide what American families should do with their hard earned money—the families themselves or the Federal Government. In effect, Senator WELLSTONE is saying, I will let you keep more, as long as you use it for college expenses, because that is my priority. On the other hand, Republicans say, We are going to allow you to keep more of what you earn to use it as you—not the government—thinks best. We should not only give Americans a tax break, we should also give them the freedom to set their own priorities with their own money.

The final amendment targeting tax cuts was one I supported—the Ashcroft amendment to allow taxpayers to deduct payroll taxes from their income when calculating their income taxes. Once again, this amendment presented Senators with a clear-cut choice: Do we allow hard-working men and women to keep more of what they earn so they can spend it as they see fit, or do we take their money and invest it in more government. While I did not support all the offsets included in the Ashcroft amendment, I believe there is an overwhelming case to be made for significant tax cuts at this time. Not the least of these is the record tax burden currently shouldered by American families. According to economist Bruce Bartlett, combined local, State, and Federal taxes now consume a record percentage of the total national income. This is entirely too much, and I support reasonable efforts to help reduce this burden.

Several amendments were targeted at federal education efforts. One was the Kerry amendment to add $56 billion to the education function and offset that increased funding by reducing the tax cuts called for in the bill. In the words of Senator KERRY, this additional funding would provide enough money to be sufficient to keep pace with student enrollment and inflation over the next 6 years.

Mr. President, last year I worked extensively with Senators Snowe, KASSEBAUM, and others to ensure that our efforts to balance the budget did not hurt students. I support effective education programs. What this amendment proposes, however, is to eliminate our ability to pass tax cuts for families with children, and spend that money instead on education bureaucrats who, in some cases, oversee programs as wasteful as any in the Federal Government. Given the choice between bureaucrats and families, I chose families.

There were also several amendments that focused on Republican efforts to reform our entitlement programs. The most broad-based of these was the Kerry amendment on long-term entitlement reform. This amendment would express the sense of the Senate that Congress should enact a broad set of entitlement reforms, including raising the retirement age and adjusting the Consumer Price Index, to ensure the long-term solvency of Social Security and other entitlement programs. Senator KERRY has been an outstanding leader on the issue of entitlement reform and I applaud his efforts. Nevertheless, I believe that adjusting the Consumer Price Index should be done only after the special commission created to study the CPI's accuracy has an opportunity to publish its findings.

This was also the principle reason I opposed the Chafee-Breaux substitute budget, which received 46 votes. The substitute budget made many of the same tough choices as the underlying Republican budget, including welfare reform, slowing the growth of Medicaid, and tax relief for families. On the other hand, the amendment would have saved $91 billion from a .5-percent reduction in the Consumer Price Index. This reduction would have meant lower benefits for seniors, and higher taxes for families. It also meant the bipartisan budget could spend $117 billion more in discretionary spending over the next 6 years. While there was much to like in this alternative budget, I could not support the decision to cut

benefits and raise taxes solely in order to fund additional spending.

Another amendment focused on entitlement was the KENNEDY amendment expressing the sense of the Senate that any reconciliation bill will maintain the existing prohibitions against additional charges by providers under Medicare. For the existing Medicare system, I agree this prohibition against so-called balance billing makes sense. On the other hand, the current Medicare System is going broke, and it makes little sense to tie the hands of the Finance Committee when they search for innovative ways to preserve the current system while providing new options to seniors. In effect, the Kennedy amendment is an attempt to forestall Medicare reform. As such, it is irresponsible and I voted against it.

Finally, there were several miscellaneous amendment which deserve comment. The first of these was the Graham-Baucus amendment to create a 60-vote point of order against efforts to divert savings which result from health care fraud and abuse programs from the Medicare HI trust fund to be used for other purposes.

First, it is important to note that this amendment would have no impact on the solvency of the Medicare trust fund. As a trust fund with a dedicated source of revenues, funding for Medicare part A cannot be diverted for other uses. Nor can savings resulting from Medicare reforms be used for any purposes other than to make the trust fund more solvent. Simply put, this amendment would have no real impact on Medicare whatsoever.

Second, this amendment violated the Budget Act by creating a point of order outside the jurisdiction of the Budget Committee. It is simply against the rules for the budget resolution to create points of order against legislation originating from other committees. For these two reasons, I opposed this amendment and supported Chairman DOMENICI's point of order against it.

One amendment dealing with foreign policy was the Lott amendment expressing the sense of the Senate that the United States should be reimbursed for expenses related to U.N. actions in Iraq. The amendment calls on the United States Ambassador to the United Nations to modify the recent U.N. resolution which permits Iraqi oil sales to be used for reimbursing U.N. humanitarian expenses. I supported this amendment.

The bottom line is Iraq—through the revenue derived from its recent U.N. oil sales—should reimburse the United States for money expended during Operation Southern Watch and Provide Comfort—whereby United States troops protected Kurdish and Shiite Muslims from Saddam Hussein. The U.S. expenses were of a military nature, but were made to satisfy a U.N. humanitarian policy. As such, these efforts should not be financed from the pockets of American taxpayers, but rather from the purses of the belligerent government that made them necessary in the first place.

The last amendment I would like to comment upon is the Roth amendment to take .5 cents of the mass transit gas tax—which is 2 cents total—and apply it toward Amtrak. While the issue of Federal subsidies is for interstate passenger rail service is extremely contentious and involved, using the highway trust fund to support Amtrak clearly undermines the integrity of the fund and should be opposed. If Congress chooses to continue its support for Amtrak, it should be done through general revenues and subject to the same review process to which other discretionary spending is subject.●

PORTERVILLE HIGH SCHOOL 100TH ANNIVERSARY

● Mrs. BOXER. Mr. President, I would like to convey my warmest congratulations to students and teachers who will be celebrating the 100th anniversary of the Porterville High School in Porterville, CA.

I congratulate and commend the many teachers, staff, students and alumni for their academic, athletic, agricultural and musical contributions to Porterville High School. Through their hard work and dedication, they have made a tremendous difference in the school and in the community of Porterville.

The people of Porterville should be proud of the strong community spirit and devotion that has helped build Porterville High School into an outstanding California school. I commend these community members for their dedication to education and enrichment of the students, past and present.

I send my best wishes to them for another hundred years of success.●

NEW MEXICO SMALL BUSINESS WEEK AWARD WINNERS

● Mr. BINGAMAN. Mr. President, I would like to take this opportunity to congratulate the recipients of the New Mexico Small Business Week Award winners.

As you may know, each of the past 33 years, the President has issued a proclamation for the celebration of Small Business Week. This year, Floyd R. Correa, president and owner of Correa Enterprises, Inc. located in Albuquerque, NM, has been named New Mexico Small Business Person of the Year for 1996 by the U.S. Small Business Administration [SBA]. Floyd Correa is among 53 top small business persons, one from each State, plus the District of Columbia, Puerto Rico/Virgin Islands and Guam, who are being honored by the SBA at the national ceremonies this week in Washington.

A ''New Mexico Small Business Week Celebration'' to honor the New Mexico Small Business Person of the Year Award Winner is also taking place in Albuquerque this week, the Advocate Award Winners, the Regional Small Subcontractor of the Year, and the New Mexico recipients of the procurement award, the SBA's Administrator's Award of Excellence will also be awarded.

Mr. President, I would like to take a moment to recognize the other award winners.

One of the New Mexico Advocate winners is Judith A. Framan who was named the 1996 National Women in Business Advocate of the Year. She will also be honored at the national SBA ceremonies. Ms. Framan is also the 1996 New Mexico Women in Business Advocate of the Year as well as the 1996 Region VI Women in Business Advocate of the Year. Ms. Framan is the owner of Judith Framan Associates located in Corrales, NM.

A second New Mexico Advocate winner is Anne Haines Yatskowitz, who was named the 1996 New Mexico Financial Services Advocate of the Year. Ms. Yatskowitz is the executive director of ACCION of New Mexico located in Albuquerque.

The 1996 New Mexico Accountant Advocate of the Year Award recipient is Virginia M.K. Stanley, who is president of Stanley and Associates, Certified Public Accountants, P.C. located in Albuquerque. Ms. Stanley's efforts and commitment on behalf of small business in New Mexico have been substantial, both on a professional and volunteer basis.

The recipient of the 1996 New Mexico Minority Small Business Advocate of the Year is Vangie V. Gabaldon. Ms. Gabaldon is the executive director of the New Mexico Community Development Loan Fund Program located in Albuquerque. In this capacity, she has compiled a remarkable record of commitment to small business throughout the State.

The 1996 New Mexico Media Advocate of the Year Award recipient is Barbara M. Chavez. Ms. Chavez is a business staff writer/reporter with the Albuquerque Journal located in Albuquerque.

And finally, the 1996 Regional Subcontractor of the Year recipient is Mr. Adelmo Archuleta, CEO of Molzen-Corbin & Associates located in Albuquerque.

Mr. President, one important key to New Mexico's future economic progress is the health and growth of our small business sector. Our economy has produced more than 9.4 million new jobs in the last 3 years, and the lion's share of these have been generated by small businesses.

We have much to do to provide a richer and less burdensome economic environment, as the June 1995 White House Conference on Small Business concluded. Business and Government are communicating on how best to address the central concerns expressed by the small business sector, and New Mexico's delegation to the White House Conference has been particularly active in the implementation of the conference's proposals. Supporting our Nation's entrepreneurs and small business

owners and highlighting the achievements of our Nation's most competent champions of economic growth should be one of our highest priorities, and it is my pleasure to thank these awardees for their important contributions.●

DISPOSAL OF CERTAIN COMMODITIES

Mr. BURNS. Mr. President, I ask unanimous consent that the Committee on Agriculture be immediately discharged from its further consideration of Senate Concurrent Resolution 63, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

A concurrent resolution (S. Con. Res. 63) to express the sense of the Congress that the Secretary of Agriculture should dispose of all remaining commodities in the disaster reserve maintained under the Agriculture 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, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

AMENDMENT NO. 4042

(Purpose: To expand the type of disaster conditions addressed by the resolution)

Mr. BURNS. Mr. President, I understand there is an amendment at the desk offered by Senator KASSEBAUM, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Montana [Mr. BURNS], for Mrs. KASSEBAUM, proposes an amendment numbered 4042.

The amendment is as follows:

On page 2, line 3, insert ''and other adverse weather'' after ''drought''.

On page 2, line 9, strike ''the prolonged drought'' and insert ''disaster conditions, such as prolonged drought or flooding''.

Mr. DASCHLE. Mr. President, I commend the junior Senator from Kansas for calling attention to the devastating impact of adverse weather on our Nation's producers. I fully support Senate Concurrent Resolution 63, which urges the Secretary of Agriculture to make available commodities in the disaster reserve for livestock feed.

I also commend Senator KASSEBAUM for agreeing to broaden the resolution to include producers suffering from flooding and other weather related disasters. In my home State of South Dakota and throughout the eastern cornbelt, excessive rainfall this spring has prevented producers from planting their crop. This resolution acknowledges the importance of addressing the effect of both drought and flooding on producers.

Senate Concurrent Resolution 63 reinforces an initiative to utilize the disaster reserve already undertaken by the Secretary of Agriculture. Secretary Glickman has informed me that he has formally asked the President of the United States to issue an emergency declaration to allow the use of the commodities within the reserve, and he expects a positive response shortly. In light of the actions the administration has already taken in this area, some have argued this resolution is superfluous, but it is fitting for Congress to send a clear signal that we support the efforts of Secretary Glickman and the President, and I have, therefore, joined as a cosponsor of the resolution.

Before passing this resolution, it is also worth noting that Presidential approval of the use of the disaster reserve is necessary only because the recently enacted farm bill suspended the Secretary's discretionary authority to access these stocks through the Emergency Livestock Feed Program. Recently, my distinguished colleague from New Mexico, Senator JEFF BINGAMAN, introduced legislation to reauthorize this valuable program. I hope the majority will also give prompt attention to this legislation to assist producers suffering from weather-related disasters. This bill, introduced with bipartisan support, would give immediate relief to farmers and ranchers victimized by the devastating drought in the Southwest and other areas.

Finally, Mr. President, I would like to commend Secretary Glickman and the President for their quick, decisive and thorough response to the drought plaguing the Southwest and Central Plains States. Secretary Glickman has already opened the Conservation Reserve Program for haying and grazing, provided additional funds for the Emergency Loan Program, and expanded crop insurance for forage crops. Utilization of the disaster reserve to provide emergency livestock feed is yet another example of the President's commitment to rural America.

Mr. BURNS. I ask unanimous consent that the amendment be agreed to, the resolution be agreed to, as amended, and the motion to reconsider be laid upon 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 amendment (No. 4042) was agreed to.

The concurrent resolution (S. Con. Res. 63), as amended, was agreed to, as follows:

S. Con. Res. 63

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. USE OF DISASTER RESERVE FOR ASSISTANCE TO LIVESTOCK PRODUCERS.

In light of the prolonged drought and other adverse weather conditions existing in certain areas of the United States, the Secretary of Agriculture should promptly dispose of all commodities in the disaster reserve maintained under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a) to relieve the distress of livestock producers whose ability to maintain livestock is adversely affected by disaster conditions, such as prolonged drought or flooding.

The title was amended so as to read:

A concurrent resolution to express 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 disaster conditions existing in certain areas of the United States, such as prolonged drought or flooding, and for other purposes.

AUTHORIZATION TO CONVEY LAND TO THE CITY OF EUFAULA, OK

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 307, S. 1406.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (S. 1406) to authorize the Secretary of the Army to convey to the city of Eufaula, OK, a parcel of land located at the Eufaula Lake project, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 4043

(Purpose: To make a technical correction)

Mr. BURNS. I understand there is a technical amendment at the desk offered by Senator NICKLES, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Montana [Mr. BURNS], for Mr. NICKLES, proposes an amendment numbered 4043.

The amendment is as follows:

On page 2, line 7, strike the words ''approximately 4'' and insert in lieu thereof ''approximately 12.5''.

Mr. BURNS. Mr. President, I ask unanimous consent that the amendment be agreed to, the bill be deemed read a third time, passed as amended, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The amendment (No. 4043) was agreed to.

The bill (S. 1406), as amended, was deemed to have been read three times and passed, as follows:

S. 1406

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONVEYANCE OF LAND AT EUFAULA LAKE PROJECT.

(a) IN GENERAL.—The Secretary of the Army (referred to in this section as the ''Secretary'') may convey to the city of Eufaula, Oklahoma, all right, title, and interest of the United States in and to a parcel of land consisting of approximately 12.5 acres located at the Eufaula Lake project.

(b) CONSIDERATION.—Consideration for the conveyance under subsection (a) shall be the fair market value of the parcel (as determined by the Secretary) and payment of all costs of the United States in making the conveyance, including the costs of—

(1) the survey required under subsection (d);

(2) any other necessary survey or survey monumentation;

(3) compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(4) any coordination necessary with respect to requirements relating to endangered species, cultural resources, and clean air (including the costs of agency consultation and public hearings).

(c) LAND SURVEYS.—The exact acreage and description of the parcel to be conveyed under subsection (a) shall be determined by such surveys as the Secretary considers necessary, which shall be carried out to the satisfaction of the Secretary.

(d) ENVIRONMENTAL BASELINE SURVEY.—Prior to making the conveyance under subsection (a), the Secretary shall conduct an environmental baseline survey to determine the levels of any contamination (as of the date of the survey) for which the United States would be responsible under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and any other applicable law.

(e) CONDITIONS CONCERNING RIGHTS AND EASEMENT.—The conveyance under subsection (a) shall be subject to valid existing rights and to retention by the United States of a flowage easement over all portions of the parcel that lie at or below the flowage easement contour for the Eufaula Lake project.

(f) OTHER TERMS AND CONDITIONS.—The conveyance under subsection (a) shall be subject to such other terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

ORDERS FOR THURSDAY, JUNE 6, 1996

Mr. BURNS. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9 a.m. on Thursday, June 6, further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day; that the Senate then immediately resume consideration of House Joint Resolution 1, the balanced budget amendment; further, that the time between 9 a.m. and 11:20 a.m. be equally divided in the usual form with Senator BYRD to be recognized from 10:50 to 11:10 a.m. and Senator HATCH be recognized from 11:10 to 11:20, with the remaining time until 12 noon divided between the two leaders as previously ordered.

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

PROGRAM

Mr. BURNS. For the information of all Senators, tomorrow the Senate will continue the debate on the balanced budget amendment with the vote to occur on passage of House Joint Resolution 1 at 12 noon. All Senators should be prepared to be in the Chamber at noon for this important vote.

On Thursday, the Senate may also consider other legislative or executive items. Therefore, additional votes are possible during tomorrow's session.

ORDER FOR ADJOURNMENT

Mr. BURNS. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order following the remarks of Senator GRAHAM of Florida, and that his statement appear at the appropriate place in the RECORD.

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

Mr. BURNS. I yield the floor.

(By unanimous consent, the remarks of Mr. GRAHAM appear at an earlier point in the RECORD during the debate on the balanced budget amendment to the Constitution.)

ADJOURNMENT UNTIL 9 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 9 a.m., Thursday, June 6, 1996.

Thereupon, the Senate, at 8:35 p.m., adjourned until Thursday, June 6, 1996, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate June 5, 1996:

IN THE NAVY

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTIONS 601 AND 5033:

CHIEF OF NAVAL OPERATIONS

To be admiral

ADM. JAY L. JOHNSON, 000–00–0000

EXTENSIONS OF REMARKS

MOTHERS AGAINST DRUNK DRIVING NATIONAL ESSAY CONTEST

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. GINGRICH. Mr. Speaker, I would like to take this opportunity to share with my colleagues the winning essays of the Mothers Against Drunk Driving's National Essay Contest.

As we are all aware, drunk drivers kill thousands of Americans each year on our Nation's roads. Though we have made great strides over the last decade or so with increased education and stiffer penalties, there is still much work to be done.

Mothers Against Drunk Driving has been one of the preeminent forces in changing our Nation's drunk driving laws and educating our citizens on the dangers of driving drunk. The national essay contest serves as a way to bring these issues to the forefront of public attention.

I commend all of the young men and women who participated in the essay contest. However, I would like to specifically recognize Caitlin McCuistion, of El Dorado, KS, Christopher Jackson, of Stow, OH, and Angela DeAnn Wieczorek, of Monterey, IN, for their outstanding essays on the dangers of drunk driving.

1996MOTHERS AGAINST DRUNK DRIVING NATIONAL POSTER ESSAY CONTEST

1ST PLACE NATIONAL WINNER, GRADES 4 TO 6

(By Caitlin McCuistion)

Hello, I am a road, part of a large highway. Some people may not think I am very important, but I am. I guide people to their destination, helping them along the way. It may not sound like a very hard job, but it is.

I am forced to watch accidents quite often. They are difficult to witness, but I cannot close my eyes to them. Unfortunately, these accidents are not the hardest to see.

The worst are, in my opinion, caused by drunk driving. These accidents are horrible, caused only by some careless person who is drunk. Every time I see another disaster caused by this, I feel despair and complete hopelessness emitting from friends and family quietly standing by.

Policemen, paramedics, and other people acting as rescue workers feel the pain too. ''Another accident,'' mutters one rescue worker under his breath. ''When will this all stop?'' None of us are sure.

In fact, who is sure? Is anyone? All humanity may think I am made of asphalt, dirt, or gravel, but I know what I am truly made of. I am made of the blood and tears from victims and their families. Everyone, please remember this—''Drinking and driving is the road to nowhere.''

1ST PLACE NATIONAL WINNER, GRADES 7 TO 9

(By Christopher Jackson)

''Where have you been tonight son?'' I heard the voice asking from just behind the flashlight beam. ''Nowhere,'' I said.

''Where did you get the beer?'' the voice asked. ''Nowhere,'' I replied. I tried squinting to look past the flashlight beam, but all I could see was flashing red and blue lights. This guy asking me these stupid questions was really nowhere. I must have fallen asleep while driving home from the party with Ed. He must have left me in the car and gone somewhere. Now some guy with a flashlight is hassling me.

''What are you? A cop?'' I asked. ''Yes'' came the reply. Boy, have a few beers and they treat you like a durnk, I mean drunk.

''Where were you and your buddy going?'' came the third stupid question. I told him ''nowhere.'' If they found out I took a case of beer from our dad I'd be in real trouble. The two of us each drank six beers so far tonight. No big deal, I drink more than that some nights.

I figured he'd want some ID, so I reached for my wallet but my arms wouldn't move. I looked down to see the steering wheel pressed against my chest. I turned to yell for my brother Ed and saw him in the light of the flashlight. He was halfway through the windshield and two people were trying to pick him up.

I looked over as they put Ed on a stretcher and screamed for someone to help him. The cop started to strap him in, but the EMT stopped him and said, ''Don't bother, he's going nowhere,'' as he pulled the sheet over Ed's face.

1ST PLACE NATIONAL WINNER, GRADES 10 TO 12

(By Angela Wieczorek)

Dear Mom...

Mom! Mom! Please don't cry! I always hated to see you cry. Oh, Mom. I'm so sorry. I never meant for this to happen.

I should have listened when you told me not to leave. You just had a feeling. Deep down, you knew. That's why you held me so tight and told me how much you loved me. Then, reluctantly, you let me go and I left.

It was not your fault, Mom. Please stop thinking that. You weren't the only one who knew. I knew too. I almost listened to you and stayed, but something inside me kept pushing me out the door.

The weird thing was that I knew the man would run the red light, but I pushed the gas pedal anyway. He hit me so fast, I didn't even know what happened. But I heard it—the horrible sound of metal crashing against metal. The aroma of alcohol invaded my senses. It was so strong. The man had been drinking! Wild thoughts raced through my mind as I recalled all the seminars and speeches I had heard about things like this. I never dreamed it could happen to me.

Oh, Mom. I'm so very sorry. I'm sorry it was me, your little girl, that death claimed and not the man at fault. I'm sorry you have to live with the knowledge that the man who killed your daughter only suffered a broken arm.

But, Mom, you can't stop believing in God because I'm gone. I know it seems unfair that the Lord took me before I could graduate, but it was my time to go. In your heart, you know that. And now that man has to live in a dark room with nothing to do except remember. Because of his drinking, he claimed the life of a seventeen year old girl. Something that he knows could've been prevented. God works in mysterious ways. That's what you taught me.

I love you, Mom. So much more than I ever told you. I miss you, but you have to carry on. You have to be strong for Dad and little Tommy. They need you now more than ever.

I know in your heart, you know I'm alright. I'm at peace now and I'm ready to go Home. You should go too.

Come visit me often. And Mom, don't forget to bring flowers. I like the yellow ones.

BENEDICTION BY RABBI ALEXANDER SCHINDLER, NATIONAL DAYS OF REMEMBRANCE COMMEMORATION

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 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 U.S. 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.

Rabbi Alexander Schindler's benediction closed the commemoration with a reminder of the tragedy that we must not forget. In his typically elegant prose, his prayer instructed us how to turn remembrance into strength, how to turn sadness and horror into hope for a better future. Mr. Speaker, I invite my colleagues to read Rabbi Schindler's prayer and hear his frank but hopeful words of wisdom.

PRAYER OFFERED BY RABBI SCHINDLER, HOLOCAUST COMMEMORATION

Once again, a sacred hour of remembrance summons us to these time-hallowed halls.
Not that we really need such an occasion lest we forget.
We need no reminders.
We remember too well.
Memories come * * * to interrupt our sleep * * * to still our laughter * * * to fill our silence with the voices of the past.
Oh, would that we could forget.
But quick forgetting is not the reality of a people who lost one-third of their number in half a decade;
Who lost one and one-half million of their children, during those tear-stained years.
No, we cannot, we will not, forget these martyrs.

All those who perished through the cruelty of the oppressor.
Not punished for any individual guilt, but indiscriminately,
Men and women * * *
Young and old * * *
The learned and the simple * * *
Were ''driven in multitudes along the road of pain and pitiless death.''
They lie in nameless graves.
Their places of everlasting sleep are not known to us.
Yet we will not forget them.
We take them into our hearts and give them a place beside the treasured memories of our own beloved.
May their remembrance give us the strength
To turn from death to life,
To love where others hate,
To hope where others despair,
To retain our belief in humankind and in the conviction that,
In spite of everything, there is meaning in life and in human history.

Thus will we give substance to the words of our tradition, those words which we repeat six million times—and more.

Yitgadal, V'yitkadash sh'mey rabba * * *

Magnified and sanctified be thy Name of God.

HONORING THE GALLATIN VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Auburntown Volunteer Fire Department. These brave, civic minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, ''These fireman must have an overwhelming desire to do for others while expecting nothing in return.''

Preparation includes twice monthly training programs in which they have live drills, study the latest videos featuring the latest in fire fighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

TRIBUTE TO RABBI BRADD H. BOXMAN

HON. VICTOR O. FRAZER

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. FRAZER. Mr. Speaker, I rise to pay special tribute to Rabbi Bradd H. Boxman. Rabbi Bradd H. Boxman was born and raised in Philadelphia, PA. He became a bar mitzvah and was confirmed at Beth David Reform Congregation, where he later taught in the religious school for nearly 5 years. Bradd earned a B.A. in modern languages at Villanova University, where he also minored in Christian studies. From 1979–81, he served as president of the Hillel Jewish Student Union at Villanova. In 1980, he traveled to the Soviet Union to visit Soviet Jewish Refuseniks. In 1981, he began his rabbinic studies at the Hebrew Union College-Jewish Institute of Religion in Jerusalem, where he created and facilitated a wood workshop program for physically disabled children at Alyn Hospital.

In Cincinnati, OH, where Bradd completed his rabbinic education, he taught at Wise Temple and Yavneh Day School. He was chairperson of the social action committee at HUC for 2 years and was appointed as the first rabbinic student liaison to the UAHC Social Action Commission. Bradd served as a member of the board of the Cincinnati Council of Soviet Jews between 1983–86. His strong interest in and commitment to social action was recognized by the Central Conference of Rabbis in 1985, when he was awarded the Horace J. Wolf Memorial prize for the social action programs he implemented.

Rabbi Boxman was the student rabbi for 2 years at Temple Beth Shalom in Winter Haven, FL. He also served pulpits in Marion, IN, and at Wright-Patterson Air Force Base in Dayton, OH, where he was a civilian chaplain. Bradd's rabbinic thesis is entitled: ''The Significance of Brit Milah in Reform Judaism.''

Rabbi Boxman began his career as a rabbi at Indianapolis Hebrew Congregation where he served as assistant and then associate rabbi from 1986–90. At Indianapolis, Rabbi Boxman initiated several new programs and activities, including a Soviet Jewry Committee, a unique basic Judaism curriculum, and an award winning family education program entitled ''Geshber L'Mishpachah.'' Rabbi Boxman also directed the establishment of the new library facility at that congregation.

Rabbi Boxman served as chaplain at the Indiana University Medical Center and as a civilian chaplain of Ft. Benjamin Harrison. He was chairperson of the Indianapolis Board of Rabbis, 1989–90, and was actively involved in interfaith work throughout his tenure in that city.

Rabbi Boxman moved to St. Thomas in September 1990. Soon after his arrival he established Interfaith Coalition of St. Thomas/St. John and served as its first president from 1991–95. He served on the St. Thomas Hospital's pastoral care committee and its biomedical ethics committee. He also served as a board member for the following organizations: The Child Abuse Task Force of St. Thomas/St. John, Y.E.S.—youth experiencing success, and the United Way Grant Allocation Committee.

Rabbi Boxman was honored by the St. Thomas/St. John Federation of Teachers with a Feddy Award in 1993 for his religious leadership in the community. During the synagogue's bicentennial year 1995–96, Rabbi Boxman led his congregation's 200th anniversary celebration by bringing religious leaders, scholars, artists, and social programs to the island. These included Cardinal Bernard Law, Rabbi Harold Kushner, Supreme Court Justice Ruth Bader Ginsberg, Itzhak Perlman, Elie Wiesel, and Maya Angelou. He also helped to institute the Anti-Defamation League's teaching tolerance program called A World of Difference in the public, private, and parochial schools on St. Thomas and St. John.

Rabbi Boxman and his wife Linda have been married for almost 13 years and have three daughters: Ariel, Talia, and Achira. They will next take up residence in Danbury, CT, where Rabbi Boxman will be the spiritual leader of the United Jewish Congregation.

Mr. Speaker, as the representative of the people of the Virgin Islands, I wish Rabbi Boxman and his family God speed and remind him that they will always be a part of the Virgin Islands. We will always leave the door open and the light on for them.

A FLAG DAY TRIBUTE TO THE CATSKILL ELKS LODGE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. SOLOMON. Mr. Speaker, back on June 14, 1777, the Continental Congress of the United States adopted a resolution that gave us the Stars and Stripes that are our America flag. This June 14, 1996, we will celebrate the 219th Flag Day and this Sunday, June 9, 1996, the Catskill Elks Lodge will be holding their annual Flag Day celebration to commemorate the most significant occasion.

Mr. Speaker, let me tell you why it is so important that organizations like the Elks Lodge No. 1341 in Catskill, NY, take the time to recognize Flag Day and the American flag. It's because our flag is unique and so is Flag Day. To my knowledge, no other nation has a holiday like it. No other nation has a special day when its people gather, as those will gather at the Catskill Elks Lodge, to honor the flag as a special symbol.

And that Mr. Speaker, is what makes our flag and Flag Day unique. It represents a unique nation, the strongest, freest, greatest nation on Earth. No other flag is anchored so securely in the hearts of a people like Old Glory is in ours.

Let's stop for a moment and consider why that is. It's because of civic organizations and people like those at the Catskill Elks Lodge who continually remind us of the importance of our flag. It's because of their efforts to raise public awareness of the flag and all that it stands for that Old Glory commands the devotion, respect, and reverence that it does.

That's why, Mr. Speaker, I am so proud to address the members of the Catskill Elks Lodge as Brother Elk. The Elks are devoted to promoting pride, patriotism, and volunteerism and do more than anyone when it comes to those goals. The Benevolent and Protective Order of Elks have helped to relight the fire of patriotism in every American citizen and through their voluntary acts on behalf of the

community, they have helped to reach our young people in whose hands the future of America depends.

But, Mr. Speaker, I owe my brother Elks in Catskill and around the country another expression of my personal gratitude. That's because they stood beside me, and the overwhelming majority of Americans, who wanted to see Old Glory, our most visible and beloved symbol, protected by the Constitution, our most sacred and beloved document. I'm referring of course to the constitutional amendment to prevent the physical destruction of our flag that passed overwhelming right here in the House Chamber, only to be defeated by just two votes in the Senate. As long as lodges like those in Catskill continue to impress upon our fellow Americans the significance of our flag and what it means to America, I'm confident we can afford it this ultimate protection it so richly deserves.

Mr. Speaker, at this time, I ask that you and all Members of the House join me in tribute to the Catskill Elks Lodge for all they have done to spread appreciation for the American Flag and our country throughout their community. For those efforts, they are all truly great Americans.

INFRASTRUCTURE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, May 29, 1996, into the CONGRESSIONAL RECORD.

INFRASTRUCTURE AND ECONOMIC DEVELOPMENT

Renewed attention needs to be given to the state of our country's infrastructure. Infrastructure is what physically holds this country together. It is our roads, bridges, airports, waterways, and water and sewer systems. The quality of life of Hoosiers is affected by these things every day.

Yet many of us take infrastructure for granted and need to be reminded how important it is. It's not until something goes wrong—such as hitting a pothole or having to boil drinking water because of high bacteria levels—that we realize how dependent we are on a high-quality infrastructure. Communities and businesses depend on infrastructure for basic services and for quick and easy movement of goods and people. Sound infrastructure helps get children to school and people to hospitals, allows us to maintain personal contacts, and ensures more productive, healthier lives.

Across the country we can see a lot of problems with the condition of our infrastructure. Many roads and bridges are in poor repair. The quality of the drinking water in certain parts of the country is deteriorating. Air traffic control towers at some airports use computers so old that they still have vacuum tubes. Clearly, something has to be done. We need to make investment in our infrastructure a priority. Without a sound infrastructure, the U.S. will find it increasingly difficult to maintain our high standard of living and competitive edge internationally.

IMPORTANCE TO ECONOMIC GROWTH

Economic development is not possible without a good infrastructure. It helps businesses grow and expand and means more jobs for Americans. I often hear from Hoosier business leaders about how the widening of a local road or how increased water capacity has helped their business.

Studies have shown that failure to keep up our investment in infrastructure has contributed to a slowing of U.S. productivity increases since the early 1980s. Our global competitiveness depends on the efficiency of our infrastructure, especially transportation. In a country as vast as ours, our ability to move goods and services to market must be second to none.

INFRASTRUCTURE INVESTMENT

Currently 70% of the funds for infrastructure investment come from local and state governments, with the federal government responsible for 30%. The federal government contributes to infrastructure repair and construction largely through spending from aviation, highway, transit, and waterway trust funds financed by user fees.

Yet while everyone acknowledges the critical need for good infrastructure, and while our needs continue to expand, public investment in recent decades has fallen short. A recent Department of Transportation report on the state of America's infrastructure concluded that we currently have a $17 billion annual shortfall in what we should be investing just to keep our transportation system in good working order. Total U.S. public spending on infrastructure has fallen from 3.1% of gross domestic product in 1960 to 2.1% in 1994. Of the seven major industrialized nations, the U.S. ranks at the bottom in the ratio of public investment to gross domestic product.

CONGRESSIONAL ACTION

Congress has recently considered several measures relating to infrastructure policy and investment. Some of our actions are positive, but others are not.

Some of the highest profile infrastructure projects are highways and bridges. These are projects we can point to and see the direct impact on local economies. Congress approved a major overhaul of our transportation policy with the passage of the Intermodal Surface Transportation Efficiency Act (ISTEA) in 1991. ISTEA is a six-year plan to reorient and modernize our transportation systems. ISTEA marked the shift in our policy focus from increasing transportation capacity to improving efficiency through better planning, management, and maintenance. Indiana and several others states are now doing better in their share of highway trust funds, but they still do not get back as much as they contribute. ISTEA is due to be reauthorized next year and I am hopeful that funding inequities will be addressed at that time.

Congress is working on an important measure to free up the $30 billion surplus in the transportation trust funds. Funds available from the trust funds are capped each year because of arcane federal budget rules. I supported the House bill to take the transportation trust funds out of the federal budget, thus freeing this money from federal budgetary constraints.

While not as glamorous as the larger infrastructure projects, wastewater treatment plans and public water systems are an important part of our infrastructure. The cost of upgrading and constructing wastewater plants and drinking systems is overwhelming for many rural communities. Congress is taking steps to address this through changes in the Safe Drinking Water Act and the Clean Water Act. One measure would create a new fund (known as a state revolving fund) to help local communities finance drinking water treatment improvements. Another would reauthorize federal contributions for wastewater treatment construction.

Congress unwisely cut overall infrastructure funding for 1996, and is currently considering 1997 levels. Funding for safe drinking water and wastewater treatment would be maintained at current levels, but I am dismayed to see other drastic cuts being proposed. The bill which funds transportation programs would cut funding $2 billion below the current level. The bill to fund waterway improvements was also cut deeply. That may put in jeopardy the much-needed improvements at McAlpine Locks and Dam on the Ohio River. Without these improvements, barge traffic will continue to be impeded, slowing the flow of goods into Indiana and the Ohio Valley. Funding for local flood control projects also may be threatened.

These cuts are short-sighted and will serve to stunt the economic growth in many areas of our country. While I am well aware that Congress must rein in spending and reduce the deficit, infrastructure funding is an investment—an investment in our country's future. We should not waver in our commitment to helping people live better, more productive lives.

CONCLUSION

Investment in our infrastructure is vital to maintaining the high quality of life Americans have come to expect. We want good drinking water, sound roads and bridges, and safe, efficient air travel, and we also want a growing economy and more jobs. An excellent infrastructure, second to none, will make our economy more competitive and our lives more pleasant.

IN HONOR OF ZUBERI MCKINNEY

HON. DOUGLAS "PETE" PETERSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. PETERSON of Florida. Mr. Speaker, on March 6, 1996, Zuberi McKinney, the beloved son of the Sergeant Major of the Army and Mrs. Gene C. McKinney, died as a result of a tragic automobile accident in Tallahassee, FL. Zuberi was 18 years old and attending his first year of college at Florida A&M University. Sergeant Major and Mrs. McKinney are long-time residents of the Second Congressional District of Florida which I serve.

I lost my 17-year-old son several years ago in an accident very similar to that experienced by the McKinney family and know only too well the pain a family suffers having sustained a loss of this magnitude. It is a pain that never goes away, however there is comfort in that loved one's memory.

Today, Mr. Speaker, I wish to enter into the RECORD the words of Zuberi McKinney's parents as they celebrate Zuberi's 19th birthday. The composition speaks for itself in terms of compassion and grief, but it also speaks eloquently of a strong, close, loving family. A family whose bonds cannot be broken even in death.

IN HONOR OF ZUBERI MCKINNEY

OUR DEAR SON: You've heard us say to you many times how we will always be proud of you and love you, NO MATTER WHAT.

Today Dad and I were reminiscing about the Earthly life you have had and we have had because of you.

Sometime in September, 1976, we were told we would be parents approximately May 10, 1977. Who would have believed on May 10, in less than an hour from the time we arrived at the Frankfurt Hospital you were born!

We had researched our chosen names and daddy's name won because of a boy baby.

ZUBERI ASWAD. An African name from the Swahili language. ZUBERI meaning STRONG and ASWAD meaning BLACK.

You grew quickly and learned lots. The first song you learned was, ''Yes Jesus Loves Me.''

Looking back over eighteen years you accomplished a great deal here on Earth. Your rambunctious sports years started at age three when you played on the Rowdies Soccer Team. You were skiing downhill at age five. You played football, baseball, tennis, percussion instruments in the band, piano, was on a swim team and played lots and lots of basketball, ending up on the Heidelberg Varsity Basketball team.

You were very inquisitive as a student and often challenged teachers, including us as parents. That was good * * * at times.

You always made friends easily and always had lots of them We always noticed the characteristics of the ones you chose to keep as your CLOSEST friends. They were always mannerable, had a great sense of humor, had a goal in life and most importantly as you once said, ''Couldn't be broke all the time.''

You got to live a very adventurous life on two continents. Visiting many different countries and states. Experiencing almost every mode of travel possible. You always believed in FUN. You had it and we enjoyed having fun with you.

We are very unhappy right now because we miss your earthly flesh and we cry out because of earthly feelings. But we THANK GOD that He chose us to be your parents. We THANK GOD that He chose you to prepare our place in Heaven. Because we know you'll get the best. And we THANK GOD for this prayer:

Now I lay me down to sleep
I pray the Lord my soul to keep
If I should die before I wake
I pray the Lord my soul to take.

You slept with us sixteen days before the Lord took your soul to shine down on us from Heaven.

The Guardian Angel we placed over your heart was kissed by ours and we will wear it representing we will NEVER EVER part from you.

We'll talk to you daily from now until ETERNITY.

Love you forever,

MOM AND DAD.

KATI MARTON ON FREEDOM OF THE PRESS IN BOSNIA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. LANTOS. Mr. Speaker, I would like to bring my colleagues' attention to a superb op-ed in Friday's Washington Post which discusses the importance of freedom of the press in the former Yugoslavia. The author, my good friend and prominent journalist Kati Marton, has for many years been one of the leading spokespersons for press freedom and for open societies.

Freedom of the press in the United States was enshrined in the very first amendment to the Constitution, as it was recognized as the cornerstone of a true democracy. Indeed, it was the circulation of revolutionary literature that spurred the War of Independence and rallied popular support for democracy.

A lasting democracy in Bosnia, where violations of freedom of the press are most acute, is only possible with a free press. Such freedom is necessary in the upcoming elections there so that Bosnians can make an informed choice.

Kati Marton's observations during her 10-day trip to Bosnia reveal the importance of United States support for such freedom. Kati chairs the Committee to Protect Journalists and possesses many insights on the Bosnian situation. Her husband, Richard Holbrooke, was the chief negotiator of the Dayton Accords. Mr. Speaker, I ask that her article be included in the RECORD, and I urge my colleagues to consider her insightful remarks.

[From the Washington Post, May 31, 1996]

KEY TO THE BALKANS: A FREE PRESS

(By Kati Marton)

They don't shoot reporters—or even jail them anymore—in postwar former Yugoslavia. Today the authoritarian governments of the Balkans use more subtle measures to control the media.

After a 10-day fact-finding trip to Sarajevo, Belgrade and Zagreb and talks with the leaders of all three countries, I am convinced a healthy democratic opposition will not take root here without stronger Western pressure on Serb, Croatian and Bosnian leaders. All three leaders—Slobodan Milosevic, Franjo Tudjman and Alija Izetbegovic—promised to uphold the right to free speech and free press in Dayton, but all three are falling far short of delivering on that promise.

The Balkan media's plight goes much further than the issue of the population's legitimate rights of free speech and free press. It was the media in Belgrade, Zagreb and, to a much lesser degree, Sarajevo that fueled the ethnic passions that unleashed the war. It is now essential for the security of Europe and the United States that we insist on the establishment of free media in Bosnia, Serbia and Croatia.

The situation is most critical in Bosnia. In September, nationwide elections will be held that will anchor the fragile new entity of Bosnia-Herzegovina to a new central government. Without a free press, the dream of reviving a multi-ethnic society after years of savage violence will fade. Although the guns that killed 45 reporters during the war are quiet now, it is still too dangerous for Bosnian journalists to cover more than a sliver of the country. The brave ones who try come back shaken from the experience, with stories of being pulled off the road when Serb militia loyal to the indicted war criminal who still heads the Bosnia Serbs—Radovan Karadzic—spotted their Sarajevo plates and hauled them in for ''questioning.''

In Bosnia, as elsewhere, television is how most people get their news. What limited television there is (only one of nine transmitters survived the war) is under the control of President Alija Izetbegovic's ruling party. This makes it difficult for opposition candidates such as former prime minister Haris Silajdic to get their message out in the election campaign. Ironically, Radio Free Europe, deemed a relic of the Cold War elsewhere and never before heard in Yugoslavia, has become the most popular radio in Bosnia—as close as most people think they'll get to the straight story.

In Belgrade and Zagreb, independent media are controlled by the use of ''financial police'' government accountants who swoop down on opposition press and find their bookkeeping wanting. On April 25, such ''accountants'' swept into the office of the Croatian weekly Panorama and ordered all staff to leave in 25 minutes. The magazine remains shut. The reason: alleged ''failure to meet technical, health and ecological standards necessary for operating.''

When I asked President Tudjman why his government is suing another independent paper, Novi List, for a ruinous sum, Tudjman ordered an aid to fetch the cover of the satiric weekly, Feral Tribune, which featured Tudjman's face atop Rambo's body. ''Would any other world leader put up with this?'' he asked. ''All leaders in democracies,'' I replied; but without much effect on him.

Another technique both Milosevic and Tudjman use to quiet the voices of dissent is to claim that formerly state-controlled media were ''improperly privatized.'' Using that device, Serbian police entered Belgrade's Studio B and pulled the plug. Now all Serb television is under Milosevic's control. But Milosevic assured me, revealingly, that he has instructed the media to tamp down their former anti-Muslim and anti-Groat fervor and get behind the Dayton Accords.

Milosevic also controls newsprint, the life blood of newspapers, and thus manipulates the independent dailies' circulation. Nasa Borba, the only major independent daily in Serbia, struggles to reach more than 10,000 readers, whereas Politika, the pro-Milosevic paper, never suffers from a newsprint shortage and reaches 300,000 readers. To go from Nasa Borba's shabby offices to Politika's high-tech home, bristling with security men, is to understand the effective uses of press control in Serbia. Politika's colorful editor, Hadji Antic, who described his editorial policy as ''inclined toward the official story,'' said if the other papers have circulation problems it's because they're no good.

But the Balkan leaders are not the implacable dictators of the past. There are many pressure points. Serbia badly wants the remaining sanctions lifted. Bosnia, the real victim in the war, as well as Serbia and Croatia, need Western investment, IMF loans, European Union membership and respectability. In their need is our opportunity. A price must be enacted for all those things, and part of that price should be the one ingredient that separates a democracy from every other form of government; a free press.

HONORING THE CELINA VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Celina Volunteer Fire Department. These brave, civic minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer fire fighter. To quote one of my local volunteers, ''These firemen must have an overwhelming desire to do for others while expecting nothing in return.''

Preparation includes twice monthly training programs in which they have live drills, study the latest videos featuring the latest in fire fighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well trained and

qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

TOURISM

HON. VICTOR O. FRAZER

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. FRAZER. Mr. Speaker, today I rise to express my strong support for H.R. 2579, the Travel and Tourism Partnership Act of 1995. This bill establishes the National Tourism Board and the National Tourism Organization to promote international travel and tourism to the United States.

Tourism is one of this country's largest exports. Presently the United States does not have an effective mechanism for promoting U.S. tourism. H.R. 2579 establishes a national tourism organization as a nonfederal and nonprofit organization to implement a national travel and tourism strategy.

Tourism is the second largest industry in the Virgin Islands. In 1993 St. Croix, VI, had 23,740 jobs, but that amount decreased in 1995 to 17,850, according to the St. Croix Chamber of Commerce. When tourism in the U.S. Virgin Islands suffers it has a rippling effect—small businesses and retail shops who depend on tourism feel the impact when tourists are absent. The tourism market currently is depressed because of Hurricane Marilyn and because of the limited resources of the Virgin Islands government. The Virgin Islands is unable to attract tourists to spend money because they do not have the tax base to support national and international marketing activities.

The Travel and Tourism Partnership Act will enhance the limited resources of the Virgin Islands. Presently we do not have a national strategy which links State and local marketing with national marketing activities. This legislation will create a national and local marketing strategy for tourism.

THE CAIRO-DURHAM ELKS LODGE PROMOTES RESPECT FOR OUR FLAG

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. SOLOMON. Mr. Speaker, back on June 14, 1777, the Continental Congress of the United States adopted a resolution that gave us the stars and stripes that are our American flag. This June 14, 1996, we will celebrate the 219th Flag Day and this Sunday, June 9, 1996, the Cairo-Durham Elks Lodge will be holding their annual Flag Day celebration to commemorate that most significant occasion.

Mr. Speaker, let me tell you why it is so important that organizations like the Elks Lodge No. 2630, serving the towns of Cairo and Durham, NY, take the time to recognize Flag Day and the American flag. It is because our flag is unique and so is Flag Day. To my knowledge, no other nation has a holiday like it. No other nation has a special day when its people gather, as those will gather at the Catskill Elks Lodge, to honor the flag as a special symbol.

And that, Mr. Speaker, is what makes our flag and Flag Day unique. It represents a unique nation, the strongest, freest, greatest nation on Earth. No other flag is anchored so securely in the hearts of a people like Old Glory is in ours.

Let us stop for a moment and consider why that is. It is because of civic organizations and people like those in the Cairo-Durham Elks Lodge who continually remind us of the importance of our flag. It is because of their efforts to raise public awareness of the flag and all that it stands for that Old Glory commands the devotion, respect, and reverence that it does.

That is why, Mr. Speaker, I am so proud to address the members of the Cairo-Durham Lodge as Brother Elk. The Elks are devoted to promoting pride, patriotism, and voluntarism and do more than anyone when it comes to those goals. The benevolent and protective order of Elks have helped to relight the fire of patriotism in every American citizen and through their voluntary acts on behalf of the community, they have helped to reach our young people in whose hands the future of America depends.

But, Mr. Speaker, I owe my Brother Elks in the Cairo-Durham area and around the country another expression of my personal gratitude. That is because they stood beside me and the overwhelming majority of Americans, who wanted to see Old Glory, our most visible and beloved symbol, protected by the Constitution, our most sacred and beloved document. I am referring, of course, to the constitutional amendment to prevent the physical destruction of our flag that passed overwhelmingly right here in the House Chamber, only to be defeated by just two votes in the Senate. As long as lodges like those serving Cairo and Durham continue to impress upon our fellow Americans the significance of our flag and what it means to America, I am confident we can afford it this ultimate protection it so richly deserves.

Mr. Speaker, at this time I ask that you and all Members of the House join me in tribute to the Cairo-Durham Elks Lodge for all they have done to spread appreciation for the American flag and our country throughout their community. For those efforts, they are all truly great Americans.

TRIBUTE TO KARL DE ROUEN

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. COLLINS of Georgia. Mr. Speaker, I rise to recognize a friend from Eunice, LA, Karl DeRouen.

Karl DeRouen, better known as King Karl in Eunice for his long standing career in radio broadcasting, was recently inducted into the Louisiana Hall of Fame [LHOF]. The LHOF is a relatively new organization which salutes men and women in the music and entertainment industry who are originally from Louisiana.

Mr. Speaker, King Karl exceeds all the criteria for this honor. Karl was born in Eunice in 1934 and grew up on the same block as the present location of KJJB and KEUN radio stations. Back then though, there were no stations on the block.

Throughout his high school years he would listen to sportcaster Bill Stern and had dreams of some day becoming a sportcaster. That dream has become a reality as Karl is the broadcaster for the Indian Creek bass tournament and voice of the Eunice High Bobcats and Saint Edmund High Bluejays for over 25 years—both well known athletic teams and followed by the locals of Eunice.

Karl began his career in radio at the age of 18, signing on each morning at 6 a.m. He became the early morning wake up voice for the people of Eunice. He was the entertainment during breakfast and the local voice delivering the local news. It was his voice of kindness who would recognize someone's birthday, mention a person by name who suffered an illness, or praised a local person who had rendered a good deed. As Karl puts it, ''We can please people'' and he realized his road to success would be determined by those whom he pleased.

Karl DeRouen's life-long ambition was to be a radio personality. He recently said, ''I would like to be remembered 50 years from now as someone who has made someone's life a little brighter and a little better''.

Mr. Speaker, Karl DeRouen, now the owner of KJJB and KEUN, not only has fulfilled a dream but has generated a legacy for his family which will be remembered by the people of Eunice, LA for decades to come.

King Karl is the father of my scheduler, Mrs. Anne Jasien.

HONORING BALTIMORE POSTAL DISTRICT MANAGER RICHARD RUDEZ

HON. ROBERT L. EHRLICH, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. EHRLICH. Mr. Speaker, the Postal Service and its employees take great pride in providing a basic service to the American public. They are dedicated to excellence and I know this from firsthand experience delivering mail 1 day earlier this year in the Highlandtown neighborhood of Baltimore. So it is particularly gratifying when the top area manager of these dedicated employees receives formal recognition.

On May 8, the Maryland Chapter of the American Society for Public Administration selected Baltimore Customer Service District Manager Richard Rudez of Bel Air, MD, to receive the Clifford R. Gross Award for Federal Public Service.

As a 25-year Postal Service veteran, Baltimore Customer Service District Manager Rudez is responsible for post office operations throughout the State of Maryland, except those in southern Maryland and the Washington, DC suburbs. The Postal Service's Baltimore District is the ninth largest employer in the State of Maryland. It employs over 9,400 employees in 305 post offices, and provides mail delivery to 1.3 million addresses and a population of 3.5 million.

Mr. Rudez was selected for this award because of his outstanding sustained contribution as a public administrator. His achievement is not limited to the Postal Service. Mr. Rudez serves as chairman of the Federal Executive Board, and has contributed his services to a number of community organizations including: Member, vice president, and recording secretary, parish council, St. Margaret's Roman Catholic Church; vice chairman, United Negro College Fund Walk-A-Thon; Federal Executive Board cochair for the Combined Federal Campaign; member of Greater Baltimore Committee; and member of the Baltimore and Hartford County Chambers of Commerce.

As the chairman of the Federal Executive Board, Mr. Rudez has sought to improve the coordination between the various Federal agencies and other governmental jurisdictions. Working with the Baltimore City Schools, he revitalized the Postal Service Wee Deliver Program and joined in a partnership in education to encourage other groups to commit their expertise, skills, and time in a united effort to enhance the public school curriculum and student matriculation. In 1995, the Postal Service Baltimore District was the recipient of the Greater Baltimore Committee's Mayor's Business Recognition Award.

This award exemplifies excellence in public service and I am pleased to join the American Society of Public Administration in saluting Rich Rudez and his record of service to the postal customers and citizens of the State of Maryland.

TRIBUTE TO FRED RICHARDSON

HON. FRED UPTON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. UPTON. Mr. Speaker, I rise today to honor an accomplished educator, a community leader, and a dear friend, Mr. Fred Richardson. After 38 quality years spent in school systems across Michigan and Indiana, Mr. Richardson will be stepping down this year as superintendent of St. Joseph Public Schools.

Mr. Richardson began his education career as a teacher in 1958 in Shipshewana, IN. He was quickly promoted to principal and spent time at the helm of a number of schools in Indiana before returning to teach and become principal in Fennville in his native Michigan. After spending many years with the Hillsdale Community Schools, he was eventually recognized for his talents and promoted to superintendent.

In 1982, he left Hillsdale to assume the same role in the St. Joseph Public Schools. During his tenure there he was able to turn the cash strapped organization around, balancing the system's books and creating an abundance of financial reserves. In fact, the district just recently became debt free thanks in part to Mr. Richardson's guidance.

Praised by staff, faculty, and school boards, Mr. Richardson has always cared most about the kids. Time and time again, his efforts with the children of Michigan have earned him high marks. A truly first-class individual, Mr. Richardson has also found time in his busy schedule to share his experience with the next generation of educators by teaching at Western Michigan University.

As Fred enters this next stage of his life, my wife Amey joins me in wishing him a long and healthy retirement. Thank you, Fred, for so many great years of quality service to southwest Michigan. Mr. Speaker, please join me in congratulating Fred Richardson on his retirement from a remarkable, 38-year-long career in education.

EDUCATION AND TRAINING

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 5, 1996, into the CONGRESSIONAL RECORD.

EDUCATION AND TRAINING IN SOUTHERN INDIANA

After years of stop and go growth with periods of high inflation and high unemployment, the U.S. economy seems to have settled into a state of moderate growth during the past five years, with low inflation and unemployment and steady job creation. Southern Indiana has benefited from these broad economic trends. Almost 50,000 new jobs were created in Indiana last year and the state unemployment rate fell to 4.6%, a full point below the national average.

But new challenges for businesses and workers lay ahead, as rapid changes in technology, new ways of delivering services, and tough foreign competition alter the economic landscape across the U.S. and in southern Indiana. Last September, during two roundtable discussions I held in Batesville and Corydon, several local business leaders told me that the most important thing we can do to meet the challenges ahead is to improve the educational system in southern Indiana for our young people and expand the opportunities for current workers to acquire new skills.

To follow up, I recently held two additional roundtable discussions in Scottsburg and Jasper to explore what is being done locally to imrove education and job training. The discussions were encouraging. The school systems, colleges, local development corporations, and private companies represented in the discussions all seem to be taking the problem of workforce quality seriously and are doing some innovative things to ensure high quality education and job training in southern Indiana.

IMPROVING THE HIGH-SCHOOL CURRICULUM

Local school systems are making significant changes to improve the quality of public education. Many are adding courses, raising requirements, and expanding teacher training. Some, like Union County, will be requiring students to show competency in four skill areas to graduate, using both written and oral exams. Programs for students not going to college are being upgraded by making the courses more relevant to today's job market and by integrating them with postsecondary vocational programs.

IMPROVING SCHOOL-TO-WORK AND CAREER COUNSELING PROGRAMS

Some school systems are developing innovative ways for students to test the world of work before graduation. For example, one school system has developed school-to-work labs allowing young people to learn and build job skills through actual on-the-job experiences. Others are starting career counseling as early as elementary school to acquaint students with different occupations. Some schools are putting more resources into counseling programs for students not going to college.

STRENGTHENING BUSINESS-SCHOOL PARTNERSHIPS

In many communities, businesses are taking a more active role in working with schools. In Batesville, a business-school-community partnership has raised more than $1 million to buy computers for the local schools. The Scott County Manufacturers Forum has developed a workforce competitiveness strategy with the schools which includes an agreement that employers will get a high school diploma or GED as a basic job requirement. There is also a summer jobs program where youth learn about various jobs by ''shadowing'' workers and a learning exchange program where teachers and private employers spend some time in each other's workplace.

IMPROVING VOCATIONAL EDUCATION

Some impressive developments in vocational education are occurring at both the high school and college levels in southern Indiana. Ivy Tech in cooperation with local development corporations has created customized training programs for local employers, like running a basic skills program at one company or training 250 people for welding jobs at another. Some favor the tech prep program, under which a student can begin a vocational program during the last two years of high school and finish it with two years of study at a college like Ivy Tech.

USING THE INTERNET FOR EDUCATION

Technology is making major changes in how students acquire information about the world around them. The Wilson Education Center in Charlestown has set up an area-wide project providing Internet services to schools in southern Indiana, giving 4,500 teachers and 75,000 students in grades K–12 access to educational information from around the world. The Southeastern Indiana Rural Telephone Cooperative is also providing Internet access to schools.

GREATER USE OF DISTANCE LEARNING

Technology is also making it possible for college students to take courses and earn degrees from distant colleges and universities. The Southeastern Indiana Electronic Campus has been set up—a unique system of higher education with 10 learning centers offering 150 courses and more than a dozen degree programs by two-way TV. At Vincennes University Jasper Center, students can use the Indiana Higher Education Television Service to earn an MBA from Ball State University, or to take courses in the Purdue Continuing Education program, or soon to earn a nursing degree from the University of Southern Indiana.

BETTER LIFELONG LEARNING PROGRAMS

Steps are also being taken to help older workers upgrade their skills as the economy changes. Colleges are rearranging their schedules to provide more courses during evening and weekend hours. Local communities are setting up adult education centers, where older workers can take courses and earn their GED. One-day non-credit courses focus on specific skills, like learning how to use a computer.

While much progress has been made in these and other ways to improve education and job training in our area, the roundtable participants still found room for improvements. Business representatives talked about the need to instill a good work ethic in younger workers and said that schools should focus on teaching good basic skills—math, reading, communication—while businesses should focus on specific job training. Other suggestions included even better communication between businesses and the

schools, allowing certain vocational courses in high school to count toward postsecondary technical degrees, more cooperation at the college level to let students transfer credits among institutions, and more teacher training on how to use computers and the Internet as learning tools.

I am impressed by the programs and activities being developed in southern Indiana to improve the quality of our workforce. In today's highly competitive world economy, the best investment we can make is in the quality and skills of our workers and I believe we are making significant progress in southern Indiana.

TRIBUTE TO PAT TROUTNER

HON. RICK WHITE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. WHITE. Mr. Speaker, my home is in the First District of Washington State. In my district, we are blessed to have thousands and thousands of people who volunteer—day after day—to make our communities stronger, safer and better.

That is why I want to take a minute today to recognize Pat Troutner of Silverdale. Pat's tireless commitment to her community has earned her the Kitsap County Bremerton Health Department's Volunteer of the Year award.

Giving is not a new concept to Pat Troutner. For years she has been caring for and giving support to terminally ill AIDS patients. While she has lost many friends she refuses to become discouraged. Instead, she focuses her energies on listening, educating, sharing, and helping. She is more than just a volunteer—she is a friend.

Today, I want to say thank you to Pat Troutner for all she has done, and will continue to do, for our community.

OUTSTANDING STUDENTS, TEACHER EXCEL IN NATIONAL HISTORY DAY

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine work of a number of students and the outstanding skills of an exemplary teacher from Bishop, CA who participated in the History Day in California competition earlier this year. A number of students competed at the local level and then represented Inyo County at the California State competition.

Jenna Beck, who wrote an essay entitled, ''President Anwar Sadat of Egypt: A Martyr's Stand for Peace,'' was named as one of two California State champions in the category of Junior Historical Research Papers. As a result of her selection as a champion, Jenna will be joining other students from across the country competing in National History Day, sponsored by the Constitutional Rights Foundation, at the University of Maryland later this month.

In addition to Jenna, Elly Hartshorn was the California State alternate with her entry entitled, ''California's Little Civil War: The Owen Valley Pioneer's Stand for Water.'' Other students representing Inyo County were Shannon Linden, Abby Sada, and Nicole Perry.

Irene Sorensen, who has inspired and guided students in this competition for 9 years, was also honored at the California State History Day as the first California Constitutional Rights Foundation Teacher of Merit for her outstanding commitments to students in California.

Mrs. Sorensen and the fine students who participated in this year's competition are a tribute to the excellence of our public school system. While these students live in a community of less than 5,000 people, located 200 miles from a major library or university, they completed extensive research in their chosen subject areas and were highly competitive with students from large metropolitan areas such as Los Angeles County, San Bernardino County, and Riverside County.

Mr. Speaker, I ask that you join me and our colleagues in congratulating Irene Sorensen and her students for their outstanding efforts relating to National History Day. It is only fitting that the House recognize them for their commitment to excellence and learning.

INVOCATION BY FATHER ROBERT F. DRINAN, S.J., NATIONAL DAYS OF REMEMBRANCE COMMEMORATION

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 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.

Father Robert J. Drinan, our former colleague and a great friend, delivered a characteristically moving and meaningful invocation to this commemoration. In his current capacity has a professor of law at Georgetown University, Father Drinan continues his outspoken support for human rights throughout the world that he was so well known for in his 10 distinguished years in Congress.

His prayer at the National Day of Remembrance commemoration set a tone for a commemoration with a dual purpose. First, to be thankful for the end of the Holocaust that came with the Nuremberg trials, and second, to give a stern warning to citizens of the world that the Holocaust must never be forgotten and that crimes against humanity cannot be ignored or go unpunished. I commend my colleagues' attention to the remarks of our distinguished former colleague:

INVOCATION BY ROBERT F. DRINAN, S.J.

Let us pray. Oh God of Abraham, Isaac and Jacob, we thank you for humanity's first denunciation 50 years ago of crimes against humanity.

We express our gratitude oh Lord to all those who have publicized and prosecuted crimes against peace like those punished at Nuremberg.

We beseech you, oh God of justice, to keep alive in our souls that horror of genocide which has permeated the world in the last five decades.

Inspire us, Oh God of love, to remember at all times that silence is the one unforgivable sin.

Impart your benediction, Oh Lord of the universe, on the leaders of the Holocaust Memorial, on members of the Congress and on all here present. We stand here oh Lord as your children and ask your forgiveness for our past inaction and indeed our complicity with evil.

We pray, Oh God, that the grace of this unforgettable occasion will deepen our determination to protect the precious rights of every child of God in the entire universe.

This we ask in your name and with your help. Amen.

CORINTH, NY EMERGENCY SQUAD CELEBRATES 50TH ANNIVERSARY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1996

Mr. SOLOMON. Mr. Speaker, I have always been partial to the charm and character of small towns and small town people. That's why I travel home to my congressional district every weekend, to see the picturesque towns and scenery that marks the 22d district of New York. The town of Corinth, NY is certainly no exception.

The traits which make me most fond of such communities is the undeniable camaraderie which exists among neighbors. Looking out for one another and the needs of the community make places like Corinth great places to live and raise a family. This concept of community service is exemplified by the devoted service of the Corinth Emergency Squad. For 50 years now, this organization has provided critical services for the citizens on a volunteer basis. As a former volunteer fireman, I understand, and appreciate, the commitment required to perform such vital public duties.

It has become all too seldom that you see fellow citizens put themselves in harms way for the sake of another. While almost all things have changed over the years, thankfully for the residents of Corinth, the members of their emergency squad continue to selflessly perform their duty without remiss. I can't say enough about the countless lives they have saved by doing so over the course of their 50 year history.

That's why I am so glad to have this opportunity to pay tribute to this emergency squad. And for that matter, the residents of Corinth will have the opportunity to show their appreciation at a picnic marking this momentous occasion this Sunday, June 9, 1996.

Mr. Speaker, I have always been one to judge people by how much they give back to their community. On that scale, the members of the Corinth Emergency Squad, both past and present, are truly great Americans. I am proud of this organization because it typifies the spirit of volunteerism which has been such a central part of American life. We would all do well to emulate the service of the men and women who comprise the Emergency Squad in Corinth. To that end, it is with a sense of pride, Mr. Speaker, that I ask all Members to join me in paying tribute to the Corinth Emergency Squad on the occasion of their 50th anniversary.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, June 6, 1996, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 7

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the Environmental Protection Agency.
SD–138

Joint Economic
To hold hearings to examine the employment-unemployment situation for May.
SD–562

JUNE 10

2:00 p.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the Department of Defense.
SD–192

JUNE 11

9:30 a.m.
Energy and Natural Resources
To hold hearings on S. 1010, to amend the unit of general local government definition for Federal payments in lieu of taxes to include unorganized boroughs in Alaska, S. 1807, to amend the Alaska Native Claims Settlement Act, regarding the Kake Tribal Corporation public interest land exchange, and S. 1187, to convey certain real property located in the Tongass National Forest to Daniel J. Gross, Sr., and Douglas K. Gross.
SD–366

Environment and Public Works
Drinking Water, Fisheries, and Wildlife Subcommittee
To hold hearings on implementation of salmon and steelhead recovery efforts in the Pacific Northwest, focusing on the installation of the surface collector at Lower Granite Dam.
SD–406

Indian Affairs
To hold oversight hearings on the implementation of the Indian Trust Fund Management Reform Act of 1994, and on Indian trust funds management by the Department of the Interior.
SR–485

10:00 a.m.
Judiciary
To hold hearings to examine the threat of terrorism during the 1996 Olympics.
SD–226

2:00 p.m.
Judiciary
Constitution, Federalism, and Property Rights Subcommittee
Business meeting, to mark up S.J. Res. 8, proposing an amendment to the Constitution of the United States to prohibit retroactive increases in taxes.
SD–226

JUNE 12

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on S. 1166, to improve the registration of pesticides, to provide minor use crop protection, and to improve pesticide tolerances to safeguard infants and children.
SR–328A

Appropriations
To hold joint hearings with the Special Committee on Aging on investing in medical research, focusing on health care and human costs.
SD–138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD–366

Special on Aging
To hold joint hearings with the Committee on Appropriations on investing in medical research, focusing on health care and human costs.
SD–138

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on Department of Defense financial management issues.
SD–192

Judiciary
To hold hearings on S. 1740, to define and protect the instiution of marriage.
SD–226

JUNE 13

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the White House Office of National Drug Control Policy.
SD–192

JUNE 14

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the General Accounting Office, and the Architect of the Capitol.
S–128, Capitol

1:00 p.m.
Foreign Relations
Western Hemisphere and Peace Corps Affairs Subcommittee
To hold hearings to examine the status of the hemisphere.
SD–419

JUNE 18

9:00 a.m.
Rules and Administration
To hold hearings on public access to government information in the 21st century, focusing on the Government Printing Office depository library program.
SR–301

9:30 a.m.
Agriculture, Nutrition, and Forestry
Research, Nutrition, and General Legislation Subcommittee
To hold hearings to review a report to the Department of Agriculture by the Advisory Committee on Agricultural Concentration, and to examine other livestock industry issues.
SR–328A

10:00 a.m.
Judiciary
To hold hearings to examine oversight of the Department of Justice witness security program.
SD–226

JUNE 21

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the Secretary of the Senate, the Sergeant At Arms, and the Government Printing Office.
S–128, Capitol

JUNE 25

9:30 a.m.
Energy and Natural Resources
To hold hearings on S. 1804, to make technical and other changes to the laws dealing with the territories and freely associated States of the United States, on a proposed amendment relating to Bikini and Enewetak medical care, and to hold oversight hearings on the law enforcement initiative in the Commonwealth of the Northern Mariana Islands.
SD–366

Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine the security status of national computer information systems and networks.
SD–342

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the Library of Congress.
S–128, Capitol

JUNE 26

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings to examine the security status of national computer information systems and networks.
SD–342

Indian Affairs
To hold hearings on proposals to reform the Indian Child Welfare Act.
SR–485

SEPTEMBER 17

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the American Legion.
334 Cannon Building

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S5781–S5871

Measures Introduced: Eight bills were introduced, as follows: S. 1837–1844. **Page S5856**

Measures Passed:

National Race for the Cure Day: Committee on the Judiciary was discharged from further consideration of S. Res. 257, to designate June 15, 1996, as ''National Race for the Cure Day'', and the resolution was then agreed to. **Pages S5788–89**

Use of Disaster Reserve for Assistance to Livestock Producers: Committee on Agriculture, Nutrition, and Forestry was discharged from further consideration of S. Con. Res. 63, to express the sense of the Congress that the Secretary of Agriculture should dispose of all remaining commodities in the disaster of livestock producers whose ability to maintain livestock is adversely affected by disaster conditions existing in certain areas of the United States, and the resolution was then agreed to, after agreeing to the following amendment proposed thereto: **Page S5870**

Burns (for Kassebaum) Amendment No. 4042, to expand the type of disaster conditions. **Page S5870**

Land Conveyance: Senate passed S. 1406, to authorize the Secretary of the Army to convey to the city of Eufaula, Oklahoma, a parcel of land located at the Eufaula Lake project, after agreeing to the following amendment proposed thereto: **Pages S5870–71**

Burns (for Nickles) Amendment No. 4043, to make a technical correction. **Page S5870**

Balanced Budget Amendment: Senate resumed consideration of H.J. Res. 1, proposing a balanced budget amendment to the Constitution of the United States. **Pages S5792–S5851**

Senate will continue consideration of the resolution on Thursday, June 6, 1996, with a vote to occur thereon.

Messages From the President: Senate received the following messages from the President of the United States:

Transmitting the report on small business and competition; referred to the Committee on Small Business. (PM–152). **Pages S5853–54**

Nominations Received: Senate received the following nominations:

1 Navy nomination in the rank of admiral. **Page S5871**

Messages From the President: **Pages S5853–54**

Messages From the House: **Pages S5854–55**

Measures Referred: **Page S5855**

Measures Placed on Calendar: **Page S5855**

Communications: **Pages S5855–56**

Statements on Introduced Bills: **Pages S5857–65**

Additional Cosponsors: **Pages S5865–66**

Amendments Submitted: **Page S5866**

Notices of Hearings: **Page S5866**

Authority for Committees: **Pages S5866–67**

Additional Statements: **Pages S5867–70**

Adjournment: Senate convened at 9:15 a.m., and adjourned at 8:35 p.m., until 9 a.m., on Thursday, June 6, 1996. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S5871.)

Committee Meetings

(Committees not listed did not meet)

COMMODITY EXCHANGE ACT REFORM

Committee on Agriculture, Nutrition, and Forestry: Committee concluded hearings on proposals to reform the regulatory structure for commodity futures and options transactions, after receiving testimony from John E. Tull, Jr., Acting Chairman, Commodity Futures Trading Commission; Steven J. Montgomery, CoBank, ACB, Englewood, Colorado; Robert K. Wilmouth, National Futures Association, Patrick H. Arbor, Chicago Board of Trade, John F. Sandner, Chicago Mercantile Exchange, and Laurence E.

Mollner, Futures Industry Association, all of Chicago, Illinois; Daniel Rappaport, New York Mercantile Exchange, and Thomas Montag, Goldman, Sachs & Co., on behalf of the International Swaps and Derivatives Association, Inc., both of New York, New York; Lawrence N. Neumann, Benson-Quinn Company, Minneapolis, Minnesota, on behalf of the National Grain Trade Council; and Robert G. Easton, Commodities Corporation Limited, Princeton, New Jersey, on behalf of the Managed Futures Association.

APPROPRIATIONS—DEFENSE

Committee on Appropriations: Subcommittee on Defense held hearings on proposed budget estimates for fiscal year 1997 for the Department of Defense, focusing on medical programs, receiving testimony from Stephen C. Joseph, Assistant Secretary of Defense (Health Affairs); Lt. Gen. Alcied M. LaNoue, Surgeon General of the Army; Rear Adm. S. Todd Fisher, Deputy Surgeon General of the Navy; Lt. Gen. Edgar R. Anderson, Jr., Surgeon General of the Air Force; Brig. Gen. Bettye H. Simmons, Chief, U.S. Army Nurse Corps; Rear Adm. Joan M. Engel, Director, U.S. Navy Nurse Corps; and Brig. Gen. Linda J. Stierle, Director, U.S. Air Force Nursing Services.

Subcommittee will meet again on Monday, June 10.

APPROPRIATIONS—FOREIGN ASSISTANCE

Committee on Appropriations: Subcommittee on Foreign Operations held hearings on proposed budget estimates for fiscal year 1997 for foreign assistance programs, focusing on peacekeeping efforts and international organizations and programs, receiving testimony from Madeleine Albright, United States Permanent Representative to the United Nations; and Col. Ronald D. Ray, Crestwood, Kentucky.

Subcommittee recessed subject to call.

SECURITIES INVESTMENT PROMOTION ACT

Committee on Banking, Housing, and Urban Affairs: Committee concluded hearings on S. 1815, to provide for improved regulation of the securities markets, eliminate excess securities fees, and reduce the costs of investing, after receiving testimony from Arthur Levitt, Jr., Chairman, United States Securities and Exchange Commission; Christopher Brody, Warburg, Pincus and Co., on behalf of the National Venture Capital Association, and Mark D. Tomasko, Investment Counsel Association of America, Inc., both of New York, New York; Matthew P. Fink, Investment Company Institute, and Paul Saltzman, Public Securities Association, both of Washington, D.C.; Dee R. Harris, Arizona Corporation Commission, Phoenix, on behalf of the North American Securities Administrators Association, Inc.; and A.B. Krongard, Alex Brown and Sons, Inc., Baltimore, Maryland, on behalf of the Securities Industry Association.

CHINA MFN TRADE STATUS

Committee on Foreign Relations: Subcommittee on East Asian and Pacific Affairs held hearings to examine foreign policy implications of renewing China's most-favored-nation trading status, receiving testimony from Winston Lord, Assistant Secretary of State for East Asian and Pacific Affairs; Jennifer Hillman, General Counsel, Office of the United States Trade Representative; and James R. Lilley, American Enterprise Institute, Mike Jendrzejczyk, Human Rights Watch/Asia, Stephen J. Yates, Heritage Foundation, and Calman J. Cohen, Business Coalition for United States-China Trade, all of Washington, D.C.

Hearings will continue tomorrow in full committee.

INFORMATION SECURITY

Committee on Governmental Affairs: Permanent Subcommittee on Investigations resumed hearings to examine the vulnerabilities of national computer information systems and networks, and Federal efforts to promote security within the information infrastructure, receiving testimony from Dan Gelber, Chief Counsel, and Jim Christy, Investigator, both of the Permanent Subcommittee on Investigations; Jack L. Brock, Jr., Director, Defense Information and Financial Management Systems, Accounting and Information Management Division, and Keith A. Rhodes, Technical Assistant Director, Office of Chief Scientist, both of the General Accounting Office; Richard G. Power, Computer Security Institute, San Francisco, California; and Richard D. Pethia, Carnegie Mellon University, Pittsburgh, Pennsylvania.

Hearings will continue on Tuesday, June 25.

BUSINESS MEETING

Committee on Labor and Human Resources: Committee began markup of S. 1221, to authorize funds for fiscal years 1996 through 2000 for the Legal Services Corporation, but did not complete action thereon, and recessed subject to call.

SMALL BUSINESS AGENDA

Committee on Small Business: Committee concluded oversight hearings on the implementation of the Small Business Administration agenda, focusing on the Administration's record in adopting and implementing legislation and policy initiatives sought by

the small business community, after receiving testimony from Michael Brostek, Associate Director, Federal Management and Workforce Issues, General Government Division, and Peter F. Guerrero, Director, Environmental Protection Issues, Resources, Community and Economic Development Division, both of the General Accounting Office; Mary K. Ryan, Deputy Chief Counsel of Advocacy, Small Business Administration; S. Jackson Faris, National Federation of Independent Business, Washington, DC; and R. Wendell Moore, Red Hot & Blue Restaurants, Inc., Arlington, Virginia.

FEDERAL DISABILITY PROGRAMS

Special Committee on Aging: Committee concluded hearings to examine proposals to improve the Social Security Administration's disability insurance and supplemental security income programs by encouraging people with disabilities to return to work, after receiving testimony from Jane L. Ross, Director, Income Security Issues, Health, Education, and Human Services Division, General Accounting Office; John F. Mazzuchi, Deputy Assistant Secretary of Defense for Health Affairs; Mary Ridgely, Employment Resources, Inc., Madison, Wisconsin; Barbara Otto, SSI Coalition for A Responsible Safety Net, Chicago, Illinois; and Susan M. Miller, National Rehabilitation Hospital/George Washington University Hospital Affiliation Program, Virginia Reno, National Academy of Social Insurance, Tony Young, American Rehabilitation Association, on behalf of the Return To Work Group, and Adm. David M. Cooney, USN (Ret.), all of Washington, DC.

WHITEWATER

Special Committee To Investigate the Whitewater Development Corporation and Related Matters: Committee met and approved the issuance of a subpoena relative to the committee's Whitewater investigation.

Committee recessed subject to call.

House of Representatives

Chamber Action

Bills Introduced: 14 public bills, H.R. 3578–3591; and 1 resolution, H. Res. 447 were introduced. **Page H5934**

Reports Filed: Reports were filed as follows:

H. Res. 446, providing for consideration of H.R. 3562, to authorize the State of Wisconsin to implement the demonstration project known as "Wisconsin Works"; and

H.R. 361, to provide authority to control exports, amended (H. Rept. 104–605, Part I). **Page H5934**

Speaker Pro Tempore: Read a letter from the Speaker wherein he appointed Representative Hefley to act as Speaker pro tempore for today. **Page H5821**

Presidential Message—Small Business: Read a message from the President wherein he transmits his annual report on the state of Small Business—referred to the Committee on Small Business. **Pages H5824–26**

Committees To Sit: The following committees and their subcommittees received permission to sit today during proceedings of the House under the 5-minute rule: Committees on Agriculture, Banking and Financial Services, Government Reform and Oversight, Judiciary, Resources, and Transportation and Infrastructure. **Page H5826**

Foreign Operations Appropriations: The House completed all general debate and began consideration of amendments to H.R. 3540, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, but came to no resolution thereon. Consideration of amendments will resume on Thursday, June 6. **Pages H5832–H5921**

Agreed To:

The Obey amendment that decreases appropriations for Export Import Bank administrative expenses by $1 million (agreed to by a recorded vote of 334 ayes to 77 noes, Roll No. 210); **Pages H5847–48, H5855**

The Obey amendment that increases by $25 million the authority to draw-down commodities and services for the United Nations War Crimes Tribunal; **Pages H5875–76**

The Traficant amendment that limits the use of appropriated funds for purchase of products not made in America (agreed to by a recorded vote of 415 ayes to 1 no, Roll No. 213); **Pages H5876–77**

The Burton of Indiana amendment that prohibits expenditures for assistance to the Government of Haiti until the President reports to Congress that the Haitian government is conducting thorough investigations of extrajudicial and political killings, including the murders of Mireille Bertin, Michel Gonzalez, and Jean Hubert Feuille; **Page H5878**

The Visclosky amendment that limits appropriations for economic support assistance to any country that prohibits or restricts the transport or delivery of U.S. humanitarian assistance (agreed to by a recorded vote of 301 yeas to 118 nays, with 1 voting "present", Roll No. 214); **Pages H5878–91, H5896–97**

The Obey amendment that decreases appropriations for International Military Education and Training by $1.5 million (agreed to by a recorded vote of 240 ayes to 181 noes, Roll No. 216);

Pages H5898–99, H5919–20

The Radanovich amendment that limits appropriations of economic support funds for Turkey to $22 million until the Turkish government acknowledges the Armenian genocide and takes steps to honor the memory of its victims (agreed to by a recorded vote of 268 ayes to 153 nays, Roll No. 217).

Pages H5899–H5906, H5920

Rejected:

The Manzullo amendment that sought to decrease appropriations for Export Import Bank administrative expenses by $3.1 million (rejected by a recorded vote of 176 ayes to 236 noes, Roll No. 211);

Pages H5848–54, H5855–56

The Burton of Indiana amendment that sought to reduce the appropriation for AID operating expenses by $46.5 million (rejected by a recorded vote of 184 ayes to 233 noes, Roll No. 212);

Pages H5863–66, H5874–75

The Obey amendment that sought to decrease appropriations for International Military Education and Training by $3 million (rejected by a recorded vote of 191 ayes to 231 noes, Roll No. 215);

Pages H5897–98, H5918–19

The Burton of Indiana amendment that sought to limit appropriations to India for development assistance or to non-governmental organizations and private voluntary organizations operating within India (rejected by a recorded vote of 127 yeas to 296 nays, Roll No. 218); **Pages H5906–18, H5920–21**

Points of order were sustained against the following:

Language in the bill that sought to authorize the transfer of appropriations to a debt restructuring account for development assistance and to authorize appropriations for expenses to relocate AID;

Page H5859

The Payne of New Jersey amendment that sought appropriations not previously authorized for the Development Fund for Africa; **Pages H5859–61**

The Waters amendment that sought appropriations not previously authorized for the African Development Bank; **Pages H5893–94**

The Obey amendment that sought to direct DOD to conduct audits of firms whose contracts are made directly with foreign governments; and

Pages H5894–95

The Obey amendment that sought a limitation on appropriations to the foreign military financing program. **Pages H5895–96**

Withdrawn:

The Lightfoot amendment was offered, but subsequently withdrawn, that sought to increase appropriations for the Export Import Bank loan programs and decrease appropriations for AIDS development and operating assistance programs; **Pages H5846–47**

The Burton of Indiana amendment was offered, but subsequently withdrawn, that sought to reduce appropriations for AID development assistance by $144 million; **Pages H5861–63**

The Kennedy of Massachusetts amendment was offered, but subsequently withdrawn, that sought to prohibit appropriations for the School of the Americas; and **Pages H5877–78**

The Skaggs amendment was offered, but subsequently withdrawn, that sought to remove the limitation on appropriations for population planning activities or other population assistance. **Pages H5891–93**

H. Res. 445, the rule providing for consideration of the bill, was agreed to earlier by a voice vote.

Pages H5826–32

Committee Resignation: Read a letter from Representative Hilliard wherein he resigns as a member of the Committee on Small Business. **Pages H5921**

Committee Election: Agreed to H. Res. 447, electing Members to certain standing committees of the House of Representatives. **Page H5921**

Referral: One Senate-passed measure was referred to the appropriate House committee. **Page H5932**

Amendments: Amendments ordered printed pursuant to the rule appear on page H5935.

Senate Messages: Message received from the Senate today appears on page H5821.

Quorum Calls—Votes: Nine recorded votes developed during the proceedings of the House today and appear on pages H5855, H5855–56, H5874–75, H5876–77, H5896–97, H5918–19, H5919–20, H5920, and H5920–21.

Adjournment: Met at 10:00 a.m. and adjourned at 12:00 midnight.

Committee Meetings

TRADE OPPORTUNITIES IN THE PACIFIC RIM

Committee on Agriculture: Held a hearing on Trade Opportunities in the Pacific Rim. Testimony was heard from Dan Glickman, Secretary of Agriculture; Jeffrey Lang, Deputy U.S. Trade Representative; and public witnesses.

DEFENSE APPROPRIATIONS

Committee on Appropriations: Ordered reported the Defense appropriations for fiscal year 1997.

INTERIOR APPROPRIATIONS

Committee on Appropriations: Subcommittee on Interior approved for full Committee action the Interior appropriations for fiscal year 1997.

DISTRICT OF COLUMBIA MANAGEMENT/ OPERATING IMPROVEMENTS

Committee on Appropriations: Subcommittee on the District of Columbia held a hearing on D.C. Management/Operating Improvements. Testimony was

heard from the following officials of the District of Columbia: Michael Rogers, City Administrator; and Anthony Williams, Chief Financial Officer; John Hill, Jr., Executive Director, D.C. Financial Responsibility and Management Assistance Authority; and public witnesses.

OVERSIGHT—SSA'S ADMINISTRATIVE LAW JUDGES

Committee on the Judiciary: Subcommittee on Commercial and Administrative Law held an oversight hearing regarding the performance of the SSA's Administrative Law Judges of Mobile, Alabama, and related issues. Testimony was heard from Representative Callahan; the following Administrative Law Judges, SSA: Charles Bowyer, Chief; Henry G. Watkins, Regional Chief; Frank M. DeBellis and Robert S. Haberman, both of Mobile, Alabama; and Melford Cleveland, Birmingham, Alabama; and a public witness.

W–2 WISCONSIN WORKS

Committee on Rules: Granted, by voice vote, a modified closed rule providing 1 hour of debate on H.R. 3562, to authorize the State of Wisconsin to implement the demonstration project known as ''Wisconsin Works''. The rule provides for the adoption of the amendment printed in Section 2 of the resolution. The rule provides for the consideration of an amendment offered by Representative Kleczka or his designee, which shall be considered as read and shall be debatable for 1 hour equally divided and controlled by the proponent and an opponent. Finally, the rule provides one motion to recommit, with or without instructions. Testimony was heard from Chairman Archer and Representatives Neumann, Gibbons, Kleczka, Obey and Barrett of Wisconsin.

ISTEA REAUTHORIZATION

Committee on Transportation and Infrastructure: Subcommittee on Surface Transportation continued hearings on ISTEA Reauthorization Maintaining Adequate Infrastructure: the Interstate Maintenance National Highway System, Bridge and Reimbursement Programs. Testimony was heard from Rodney E. Slater, Administrator, Federal Highway Administration, Department of Transportation; Jesse L. White, Jr., Federal Co-Chairman, Appalachian Regional Commission; Robert A. Welke, Director, Department of Transportation, State of Michigan; James Siebels, Chief Engineer, Department of Transportation, State of Colorado; Fred VanKirk, Secretary/Commissioner, Department of Transportation, State of West Virginia; from the following former officials of the Federal Highway Administration, Department of Transportation: John Hassell, Administrator; and Gene McCormick, Deputy Administrator; and public witnesses.

Hearings continue June 18.

BUDGET RECONCILIATION WELFARE RECOMMENDATIONS

Committee on Ways and Means: Subcommittee on Human Resources approved for full committee action budget reconciliation welfare recommendations.

COMMITTEE MEETINGS FOR THURSDAY, JUNE 6, 1996

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Appropriations, Subcommittee on Labor, Health and Human Services, and Education, to hold hearings on proposed budget estimates for fiscal year 1997 for the Department of Health and Human Services, 2 p.m., SD–192.

Committee on Armed Services, closed business meeting, to mark up S. 1718, to authorize appropriations for fiscal year 1997 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and for the Central Intelligence Agency Retirement and Disability System, 3 p.m., SR–222.

Committee on Banking, Housing, and Urban Affairs, to hold hearings on S. 1317, to repeal the Public Utility Holding Company Act of 1935 and transfer certain regulatory functions from the Securities and Exchange Commission to the Federal Energy Regulatory Commission and the Public Service Commissions of various States, 1:30 p.m., SD–538.

Committee on Commerce, Science, and Transportation, business meeting, to consider pending calendar business, 9:30 a.m., SR–253.

Committee on Energy and Natural Resources, Subcommittee on Parks, Historic Preservation and Recreation, to hold hearings on S. 1703, to revitalize and expand the scope of operations of the National Park Foundation to assist in the preservation of America's national parks, 2 p.m., SD–366.

Committee on Finance, to hold hearings to examine the most-favored-nation (MFN) status of China, focusing on consequences to American interests if MFN is revoked, 9 a.m., SD–215.

Committee on Foreign Relations, Subcommittee on Near Eastern and South Asian Affairs, to hold hearings to examine prospects for peace in Afghanistan, 10 a.m., SD–419.

Full Committee, to hold hearings to examine the consequences of most-favored-nation renewal for China, 2 p.m., SD–419.

Committee on Governmental Affairs, to hold oversight hearings on Internal Revenue Service financial management, 10 a.m., SD–342.

NOTICE

For a listing of Senate committee meetings scheduled ahead, see page E1005 in today's Record.

House

Committee on Agriculture, Subcommittee on Livestock, Dairy, and Poultry, hearing to consider state meat and poultry inspection, 9:30 a.m., 1300 Longworth.

Committee on Appropriations, to markup the Agriculture, Rural Development, Food and Drug Administration, and

Related Agencies appropriations for fiscal year 1997, 9:30 a.m., 2360 Rayburn.

Subcommittee on Transportation, to markup appropriations for fiscal year 1997, 2 p.m., 2358 Rayburn.

Committee on Banking and Financial Services, to markup the Financial Services Competitiveness and Regulatory Relief Act, 10 a.m., 2128 Rayburn.

Committee on Commerce, Subcommittee on Health and Environment, to markup the following: Safe Drinking Water Act Amendments of 1996; and H.R. 248, to amend the Public Health Service Act to provide for the conduct of expanded studies and the establishment of innovative programs with respect to traumatic brain injury, 10 a.m., 2123 Rayburn.

Committee on Economic and Educational Opportunities, Subcommittee on Employer-Employee Relations, hearing on Retirement Crisis Ahead?: Exploring Ways to Simplify and Expand Pensions, 10 a.m., 2261 Rayburn.

Subcommittee on Postsecondary Education, Training and Life-Long Learning, hearing on H.R. 2416, Open Campus Police Logs Act of 1995, 10 a.m., 2175 Rayburn.

Committee on Government Reform and Oversight, hearing on Census 2000: The Challenge of the Count, 9 a.m., 2154 Rayburn.

Subcommittee on Human Resources and Intergovernmental Relations, oversight hearing on the Department of Education's Management of Access to Federal Student Aid Programs, 2 p.m., 2247 Rayburn.

Committee on International Relations, to meet to authorize a subpoena to compel testimony of a representative from the AID, 10:45 a.m., 2172 Rayburn.

Subcommittee on Africa, hearing on New Perspectives on Africa, 11 a.m., 2253 Rayburn.

Subcommittee on the Western Hemisphere, hearing on the War on Drugs in the Western Hemisphere: Fact or Fiction? 2 p.m., 2172 Rayburn.

Committee on the Judiciary, Subcommittee on Crime, hearing on S. 1507, Parole Commission Phaseout Act of 1995, 9:30 a.m., 2237 Rayburn.

Committee on National Security, hearing on U.S. national interests in the Post-Cold War world, 9:30 a.m., 2118 Rayburn.

Committee on Resources, Subcommittee on Fisheries, Wildlife and Oceans, oversight hearing on ''Teaming With Wildlife'', 10 a.m., 1334 Longworth.

Subcommittee on National Parks, Forests, and Lands, hearing on the following: H.R. 2122, to designate the Lake Tahoe Basin National Forest in the States of California and Nevada to be administered by the Secretary of Agriculture; H.R. 2438, to provide for the conveyance of lands to certain individuals in Gunnison County, Colorado; H.R. 2518, to authorize the Secretary of Agriculture to exchange certain lands in the Wenatchee National Forest, Washington, for certain lands owned by Public Utility District No. 1 of Chelan County, Washington; H.R. 2693, to require the Secretary of Agriculture to make a minor adjustment in the exterior boundary of Hells Canyon Wilderness in Oregon and Idaho to exclude an established Forest Service road inadvertently included in the wilderness; H.R. 2709, to provide for the conveyance of certain land to the Del Norte County Unified School District of Del Norte County, California; H.R. 3146, to provide for the exchanges of certain Federal lands in the State of California for certain non-federal lands; and H.R. 3547, to provide for the conveyance of a parcel of real property in the Apache National Forest in Arizona to the Alpine Elementary School District 7 to be used for the construction of school facilities and related playing fields, 9 a.m., 1324 Longworth.

Committee on Rules, to consider the following: H.R. 2754, Shipbuilding Trade Agreement Act; and H.R. 3268, IDEA Improvement Act of 1996, 2 p.m., H–313 Capitol.

Committee on Science, Subcommittee on Technology, hearing on Patent System and Modern Technology Needs: Meeting the Challenge of the 21st Century, 10 a.m., 2325 Rayburn.

Committee on Small Business, hearing on the proposed reforms of the Small Business Investment Company Program, 10 a.m., 2359 Rayburn.

Committee on Transportation and Infrastructure, to markup 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, to designate a U.S. Courthouse in Scranton, PA, as the ''William J. Nealon United States Courthouse;'' H.R. 3400, 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; H.R. 3267, Child Pilot Safety Act; H.R. 3536, Airline Pilot Hiring and Safety Act; and H.R. 3539, Federal Aviation Authorization Act, 10 a.m., 2167 Rayburn.

Committee on Ways and Means, hearing on the Financial Condition of the Medicare Program, 9:30 a.m., 1100 Longworth.

Permanent Select Committee on Intelligence, executive, hearing on Bosnia, 2 p.m., H–405 Capitol.

Next Meeting of the SENATE

9 a.m., Thursday, June 6

Senate Chamber

Program for Thursday: Senate will resume consideration of H.J. Res. 1, Balanced Budget Amendment, with a vote to occur thereon at 12 noon.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Thursday, June 6

House Chamber

Program for Thursday: Consideration of H.R. 3562, Deeming Approval of the ''Wisconsin Works'' Waiver Request (modified closed rule, 1 hour of general debate); and

Continue consideration of H.R. 3540, Foreign Operations Appropriations Act for FY97 (open rule, 1 hour of general debate).

Extensions of remarks, as inserted in this issue

HOUSE

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