CONGRESSIONAL RECORD – SENATE
JULY 22, 1996

State welfare program, administrative costs rose 72 percent. Wisconsin Governor Thompson himself said that for welfare reform to be successful, “It will cost more up front to transfer the welfare system than many expect.”

For welfare reform to succeed, it also takes jobs. Wisconsin and Michigan learned this lesson the hard way. In Wisconsin, a trucking company praised by Governor Thompson and Presidential candidate Bob Dole for hiring welfare recipients, laid off 45 employees this week, including the welfare workers. It was a business slowdown they said.

In Michigan, only one-fifth of former general relief recipients have found jobs. The majority of beneficiaries have become even more destitute.

So it goes when social experiments go wrong. The Republican majority is prepared to push welfare families off the cliff in the hope that they’ll learn to fly. And what happens if they fall? Nearly 9 million children, who make up the majority of AFDC recipients, will pay the price. Nine million children, and the majority of AFDC recipients will pay the price. And as a society, so will we.

This is not just theory—the Congressional Budget Office agrees. They recently issued a preliminary assessment of the Republican legislation. And like last year, they said it will not work. According to their study, most States will not even attempt to implement the legislation’s work requirements, because putting people to work is too expensive. In fact, the report says States will fall $13 billion short of the mark, and simply throw up their hands.

Nevertheless, the Republicans continue to defy the facts.

We already mentioned, church leaders, conservative columnists, those who have spoken and written about the various welfare reform programs with extraordinary credibility—the Congressional Budget Office taking the particular relevant facts—all reaching the same conclusion, that this is going to be an extraordinary disaster in its impact on poor children. Like last year, they said it will not work. Nevertheless, the majority continues to defy the facts.

They insist that this legislation is about putting people to work. Trust us, they say, That is not acceptable.

As Congress’ majority is made up in a recent letter: “The welfare proposal reflects ignorance and prejudice far more than the experience of this nation’s poorest working and welfare families.”

In the final analysis, that is what this legislation is about—ignorance and prejudice.

The American people know that pulling the rug out from under struggling families is wrong. Denying health care for sick or disabled children is wrong. Keeping families trapped in poverty and violence is wrong. Denying homeless children to cold grates is wrong.

Perhaps the greatest irony of all is now on display, as America hosts the Olympic Games. We justifiably take pride in being the best in a variety of different events. We may well win a fist full of golds in Atlanta, but America is not winning any medals when it comes to caring for our children.

The United States has more children living in poverty and spends less of its wealth on children than 16 out of the 18 industrial countries in the world. The United States has a larger gap between rich and poor children than any other industrial nation in the world. Children in poor families are twice more likely to be poor than Canadian children, 2 times more likely to be poor than British children, and 3 times more likely to be poor than French or German children.

When it comes to our children, America should go for the gold.

Mr. President, not just assigning resources, money, on this is necessarily the answer to all the problems. But it is a pretty good reflection of where the Nation’s priorities are. When the bell tolls tomorrow afternoon on that measure that is going to cut back $27 billion out of children’s feeding programs, to move that payment from 88 cents to 65 cents, that is going to be a really clear indication about where the majority believes this Nation’s priorities are—to use those savings for tax breaks for the wealthy individuals of this country. That is wrong. We should all take some time to think about what kind of country we want and about what kind of country that we are doing to children, to ourselves and the Nation. Surely we can do better than this bad bill.

Mr. President, I yield the floor. I see our two floor managers. I appreciate their courtesy.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT FOR FISCAL YEAR 1997

The Senate continued with the consideration of the bill.

CURRENT EFFORTS TO PROTECT SALMON HABITAT

Mr. KEMPTHORNE. Mr. President, I rise to take note and compliment the Natural Resources Conservation Service. If we encourage and provide technical assistance to private landowners who have salmon habitat on their property. In coordination with the Northwest Power Planning Council’s plan for fish and wildlife protection, and other Federal agencies, the NRCS is working with conservation districts across Idaho, Oregon and Washington to assist local property owners on basin-wide and watershed specific plans to protect and restore habitat. Federal states have run for coho salmon, rearing sea-run cutthroat, and many chinook salmon runs.

These efforts have been widely popular in my home State, in particular in the Clearwater and Lemhi Valleys where local landowners appreciate having the support to take the initiative to preserve this important cultural and economic resource. Conservation districts have proven to be a most effective approach to successfully involve all important local stakeholders in a mutually acceptable way.

Mr. President, it is my intention to commit the Senate to exploring in future legislation the ways in which we might better foster this growing partnership. Would the majority agree that this is the sort of incentive approach that merits further consideration?

Mr. COCHRAN. Mr. President, the committee agrees that this is the sort of cooperative, incentive-based relationship that should be fostered in order to protect natural resources, as is the goal of the Natural Resources Conservation Service.

YELLOWSTAR THISTLE CONTROL

Mr. KEMPTHORNE. Mr. President, I rise to clarify this Congress’ commitment to research that will offer controls for noxious weeds that are problems across this country. In particular, I would like to highlight research being done with the Agricultural Research Service to control yellowstar thistle.

Yellowstar thistle is a problem across the West. Over 5 million acres across the western United States are currently infested with this noxious weed. Scientists at the University of Idaho tell me that it costs an average of $1 per acre in lost productivity and costs to control this weed. It doesn’t take a rocket scientist to figure out that we’re talking about $5 million lost annually across the West.

Mr. CRAIG. Mr. President, I concur with the remarks of Senator KEMPTHORNE. In addition, I understand that currently, it is nearly impossible to eradicate yellowstar thistle once it has infected the narrow, arid canyon lands of the West, and in particular, the canyons of the Clearwater, Snake and Salmon Rivers of my home State.

Mr. President, it is my understanding that the research to control this weed is reaching a critical stage, where practical biological controls should be available for public use within the next few years. Is it the intention of this bill to fund research with direct and immediate practical applications for the agricultural industry?

Mr. COCHRAN. The Senator is correct.

Mr. KEMPTHORNE. I also noted that the committee specifically directed the ARS to continue funding the Albany, CA yellowstar thistle initiative. Is it the intention of the committee that the ARS continue current yellowstar thistle research contracts associated with that program, including the research efforts with the University of Idaho?

Mr. COCHRAN. Yes, it is.

Mr. JOHNSTON. Mr. President, I would like to engage in a colloquy with
the distinguished chairman of the subcommittee to clarify the intent of language included in the committee report providing funding for ongoing research at the Plant Materials Center (PMC) in Golden Meadow, Louisiana, in collaboration with the Crowley Research Station in Crowley, LA. Ongoing research on nutria-resistant plant varieties, and funding to test application technologies for recently developed artificial seed for cord grass used to prevent coastal erosion. It is my understanding that it was the committee's intent, in the committee report, to continue the work at the Golden Meadow Plant Materials Center, in collaboration with the Crowley Rice Research Station, on smooth cordgrass at the fiscal year 1996 level. In addition, work underway at Crowley on the development of nutria-resistant materials would also continue at the fiscal year 1996 level. Finally, it is also my understanding that the $100,000 mentioned in the committee report was for additional technologies for smooth cordgrass seed would be in addition to the funding provided to maintain this ongoing work. Is that the chairman's understanding as well? Mr. COCHRAN. I appreciate the questions of the distinguished Senator from Louisiana, and I am happy to provide further clarification. The Senator is correct in his description of the committee's intent in its report accompanying this bill. Mr. JOHNSTON. I appreciate this clarification.

ARS FUNDING FOR INTEGRATED LOW-INPUT CROP AND LIVESTOCK PRODUCTION SYSTEMS AT UNIVERSITY OF WISCONSIN-MADISON

Mr. KOHL. Mr. President, I am pleased that funding is provided through this bill for the ARS Integrated Farming Systems Program, to pursue long-term research on farming systems that integrate livestock and resource conservation practices aimed at answering farmers' urgent questions of how to be profitable and farm in environmentally responsible ways. This new initiative, as requested by the President's fiscal year 1997 budget, recognizes expertise in the farming community by building research partnerships with State researchers, extension agents, farmers, and nongovernmental organizations.

In this regard, Wisconsin has a national-recognized program, the Wisconsin Integrated cropping systems trial, with long-term research trials and an excellent team of farmers, researchers, extension and non-governmental groups collaborating to address questions that go right to the heart of the future of farming in the Midwest. As specified in the committee report accompanying this bill, $500,000 has been included in this bill to support research through the ARS/IFS Program into Integrated low-input crop and livestock production systems, to be carried out at the Wisconsin-Madison Experiment Station. It is my intent and understanding that this funding is to support the Wisconsin Integrated cropping systems trial. I would ask the Senator from Mississippi, the chairman of the Agriculture Appropriations Subcommittee, if he would concur with me on this matter.

Mr. LEAHY. More than $1 billion a year in Federal funds is saved by WIC through the cost containment allowance allowing over 1.6 million more women, infants, and children to receive WIC benefits than would otherwise have been the case. One of the most important factors in the success of the WIC cost containment is competition. Until recently there were four infant formula manufacturers in the United States. In January, one of the four, Wyeth Laboratories announced its withdrawal from the domestic market. Now, alarming reports are growing that States are altering their competitive bidding procedures in a way that restricts competition and makes it impossible for Carnation to compete. If this third small company, Carnation, cannot compete, it means that only two formula companies will be left out of the market. If that occurs, only the two largest manufacturers, Ross and Mead Johnson will remain, and the prospects for sustaining large savings will be bleak. Without a third company seeking the largest price share by winning WIC contracts, cost containment is not sustainable.

In the past, States typically have awarded their WIC contract to the company whose net wholesale price—the wholesale price minus the rebate per can the company offers to pay the State WIC Program—is the lowest. But recently, a few States instead awarded their contracts to the company that offered the highest rebate per can, regardless of the company's wholesale price. There is one circumstance where a State may have a legitimate case for awarding a WIC contract on the basis of the highest rebate rather than on the basis of the lowest net wholesale price. This occurs in States where retailers charge about the same price for all formula brands and take a much larger mark-up for Carnation products than for those of the other companies.

This problem can be readily addressed by directing States to award contracts on the basis of the lowest net wholesale price—as most States currently do—rather than on the basis of the biggest rebate, except where the State has reliable data showing that retail prices for different formula brands are similar in that State. In any State where this is the case, the State would retain full flexibility as to the basis on which to award its contract.

In 1990, the GAO wrote:

Because only three firms are responsible for almost all infant formula production, coordination of pricing and marketing strategies between the manufacturers is always a potential danger. Competitive bidding will successfully yield high rebates only to the extent that infant formula manufacturers act independently. Consequently, efforts to ensure competition in the infant formula industry will be an important element in State efforts to maximize cost-containment savings. (GAO, Infant Formula: Cost Containment and Competition in the WIC Program, September 1990.)

This remedy of awarding contracts on a lowest net wholesale price would help avert the loss of hundreds of millions of dollars in cost containment and thereby prevent the further dropping of thousands of women and children from being dropped from the program. Nearly one of every four WIC participants is served with cost containment savings—and would have to be removed from the program if cost containment collapses.

The Senate, unlike the House, has managed to correct this problem in the Agriculture appropriations bill. Therefore, in conference, it is imperative that we retain language on WIC cost containment prevail.

Mr. JEFFORDS. Mr. President, I rise today to highlight a provision in the agriculture appropriations bill that I think makes an important improvement in the WIC cost containment effort. I would like to highlight the importance of this provision with hope that we can maintain it in the conference committee.

The WIC infant formula cost containment program saves more than $1 billion per year in Federal funds and allows over 1.6 million more women, infants, and children to be served through WIC each month than would otherwise be the case. Nearly one of every four WIC participants is served with WIC contract cost savings and would have to be removed from the program if cost containment collapsed.

There is a danger now developing that threatens to undermine WIC cost containment and we need Federal action to counteract this development. In the past, States typically awarded their WIC contract to the company whose net wholesale price is the lowest. The net wholesale price represents the wholesale price of the product minus the rebate per can the manufacturer will pay the State WIC program. Recently, though, States have begun to award WIC contracts to the company that offered the highest rebate per can, regardless of the company's wholesale price. A provision contained in this bill will require States to award contracts on the basis of the lowest net wholesale price—as most States currently do—rather than on the basis of the biggest rebate, except where the State has reliable data showing that retail prices for different formula brands are similar in that State. In any State where this is the case, the State would retain full flexibility as to the basis on which to award its contract.
An industry heavyweight can sell the product for, say $2.50 per can and then give the State a rebate of $2.00 per can of formula. Under that scenario, the net wholesale price to the program is 50 cents per can of infant formula. A smaller company, on the other hand, may not have the demand as high a retail price and they may charge only $1.95 per can of formula. At a $1.95 retail, the smaller company can’t begin to compete on the basis of rebate, they’d be losing money on every can of formula. When the company could do is offer a rebate of $1.50, setting the net wholesale price at 45 cents per can. Ultimately the smaller company will save the WIC Program a lot of money. But they will never have the opportunity to do so if the only thing the State looks to is the rebate amount.

The second problem with this contract methodology is apparent in the scenario I’ve just described. Not only does the highest rebate methodology discriminate against small companies, it could cost the WIC Program up to $1 billion a year.

Approaching WIC infant formula contracts on the basis of who offers the highest rebate just doesn’t make sense. We know from experience that as truly competitive bidding process will save the WIC program more than $1 billion a year.

I’ll close by thanking Senator Cochran and Senator Hatfield for including this cost containment measure in the Agriculture Appropriations bill we’re now discussing, and I urge my colleagues serving on the conference committee to support this provision in the conference bill.

AMENDMENTS NOS. 4972 THROUGH 4974, EN BLOC

Mr. COCHRAN. Mr. President, there are a few amendments which I am going to send to the desk and ask that they be considered en bloc and approved en bloc. All have been cleared.

The amendment numbered 4972 is technical corrections to the bill by Senator Cochran. The second is an amendment by Senator Stevens dealing with appropriated funds for rural water and waste systems, the third is an amendment for Senator Murkowski concerning seafood inspection requirements, and the fourth is an amendment by Senator Jeffords dealing with the FIS/APHIS accounts or the National Farm Animal Identification Pilot Program.

Mr. President, I ask unanimous consent that those amendments be considered en bloc and agreed to en bloc. The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The amendments (Nos. 4972 through 4974) are as follows:

AMENDMENT NO. 4972

(Purpose: To appropriate funds for rural water and waste systems as authorized by Sec. 757 of Public Law 104-127)

On page 47, line 17, before the period add the following: “: Provided further, That of the total amount appropriated, not to exceed $10,000,000 shall be for water and waste disposal systems pursuant to section 757 of Public Law 104-127.”

AMENDMENT NO. 4973

(Purpose: To appropriate funds for rural water and waste systems as authorized by Sec. 757 of Public Law 104-127)

On page 47, line 16, before the “:” insert the following: “: Provided further, That not to exceed $1,500,000 of this appropriation shall be made available to establish a joint FIS/APHIS National Farm Animal Identification Pilot Program for dairy cows.”

The PRESIDING OFFICER. Is there objection?

Mr. BUMPERS. Mr. President, I am constrained on behalf of a Member on our side to object to the Murkowski amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendments numbered 4972, 4973, and 4974 en bloc.

The amendments (Nos. 4972 through 4974) were agreed to en bloc.

Mr. COCHRAN. I move to reconsider the vote by which the amendments were agreed to.

The PRESIDING OFFICER. Mr. BUMPERS. The remainder are cleared on this side.

The question is on agreeing to the amendments numbered 4972, 4973, and 4974 en bloc.

The amendments (Nos. 4972 through 4974) were agreed to en bloc.

Mr. COCHRAN. I move to reconsider the vote by which the amendments were agreed to.

The PRESIDING OFFICER. Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

AMENDMENT NO. 4975

Mr. BUMPERS. Mr. President, I send an amendment to the desk on behalf of Senator Kohl dealing with special research grants which I think has been cleared on the other side.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The amendments (Nos. 4975) are as follows:

The amendment (No. 4975) was agreed to.

AMENDMENT NO. 4976

(Purpose: To increase funding for certain agriculture research activities, with an offset.)

Mr. BUMPERS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed.

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

The amendment is as follows:

On page 12, line 25, strike “$46,018,000” and insert “$46,380,000.”

On page 14, line 10, strike “$418,308,000” and insert “$418,620,000.”

On page 21, line 4, strike “$479,829,000” and insert “$477,517,000.”

Mr. KOHL. Mr. President, I am pleased that the managers of the bill are willing to accept my amendment to correct a problem that has arisen with regard to special research grants section of the Agriculture appropriations bill.

Specifically, when the Agriculture Appropriations Subcommittee requested information from USDA/CSREES regarding special research grant projects, the Babcock Institute for International Dairy Research and Development at the University of Wisconsin-Madison, was mistakenly listed as one of the several projects slated for completion at the end of fiscal year 1996. Unfortunately, that information was not accurate. However, this error was not noticed until after the committee had acted on the bill, and funding for the Babcock Institute was omitted from the Committee Report entitled “Farm and Rural Policy, 1996.”

Therefore, my amendment will simply restore funding for the Babcock Institute in the CSREES special grant
from going forward with a proposed first place.

spends on prescription drugs in the much as, if not more, than the country mine the Food and Drug Administra-
tion with the support of the indus-

Again, I think the managers for their support of this amendment, and look forward to working with them to retain funding for this valuable pro-

The amendment (No. 4976) was agreed to.

Mr. KENNEDY. Mr. President, if I could speak very briefly about a par-
ticular research in the regulated to which is a matter of some concern, I do not intend to take time this evening nor do I intend to delay consideration, but I would like to bring to the atten-
tion one of the provisions that has been included here that I think the Members should have some awareness of.

Mr. BUMPERS. Mr. President, I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the am-
endment.

The amendment (No. 4976) was agreed to.

Mr. KENNEDY. Mr. President, I want to draw attention to provisions in the appropriation bill that deal with a matter of priority for the FDA, and that is on the proposed Medguide regula-
tions which would establish goals for industries to meet on the issues of pre-
scription drugs. I just want to speak for a few moments on this issue this evening, then indicate to the managers some alternatives that we are thinking about and want to talk over with the managers again tomorrow.

This appropriation bill contains an unwarranted provision that will under-
mine the Food and Drug Administra-
tion’s efforts to prevent adverse re-
actions that cost the American economy an estimated $100 billion a year in di-
rect and indirect costs. That cost is as much as, if not more, than the country spends on prescription drugs in the first place.

The provision would forbid the FDA from going forward with a proposed regulation, called the Medguide regula-
tion, to ensure that patients get ade-
quate information when they buy a prescription.

The FDA’s efforts to ensure that the American consumer gets good informa-
tion when they buy prescription drugs have been under attack by a consor-
tium of pharmacists and other busi-
nesses who claim they are already doing the effective job of getting infor-
mation to consumers without Govern-
ment regulation. The facts are to the contrary. For example, in 1992, FDA required a boxed warning—the most serious kind of warning—on labeling for Seldane and Hismanal, two of the most popular antihistamines for allergies. When taken in association with certain anti-
biotics and antifungals, there have been deaths and serious cardiovascular events.

These same warnings also appeared in the FDA-approved consumer adver-
ses in single publications such as People, Time, and Newsweek. These warnings about taking these drugs in combina-
tion did not appear on the information sheets that pharmacists gave to con-
sumers—information that was written into effect. In fact, consumers were given better information in magazine ads than they were given by the pharmacists who dis-
pensed their prescriptions.

Even today, after concerted efforts to educate pharmacists about the dangers of prescribing Seldane with certain antibiotics, 25 percent are coprescriptions written in conjunc-
tion with one of those anti-
biotics, erythromycin. As a result, tens of thousands of patients are presently at risk.

FDA’s concerns are not speculative. A 29-year-old woman taking Seldane died because she was not warned about the risk of taking it with an antibiotic. If she had been warned of this possibility of a fatal interaction she might be alive today.

Leaving out critical warnings is un-
acceptable. In these types of life-and-
death cases, FDA oversight is clearly warranted. The health and the lives of too many patients is at stake.

FDA has rightfully decided that con-
sumers deserve more protection than the status quo. The Medguide regula-
tion is intended to correct this gross deficiency in our consumer protection laws.

Today, we go into a supermarket to buy a loaf of bread, a carton of milk, or a box of cereal, and we know there is complete nutritional information on the package. When we buy an over-the-
counter drug like aspirin or Tylenol in the same grocery store, FDA regula-
tions require the drugs to have com-
plete information so that those who take the pills understand what they are doing, how to use it, the side ef-
tects to watch out for, and what foods or drugs it interacts with.

But, if we buy a prescription drug in the pharmacy or one of these same gro-
cery stores, there is no guarantee that we will get the same kind of informa-
tion when the prescription is filled. Current laws require more information about breakfast cereals than dangerous prescription drugs.

The costs of this lack of information are high. Mr. President, 30 to 50 per-
cent of adult patients do not use their medications properly, and lack of in-
formation is one of the primary rea-
sions. In children, noncompliance ex-
cceeds 50 percent. In the elderly, who rely heavily on medication, non-
compliance is often higher.

If patients do not take medication properly, they are poorly served by their health care system. The public health is put at risk if unsecured infec-
tions are transmitted and resistant in-
fecions develop.

The cost of misuse of prescription drugs and adverse reactions to drugs is estimated at $20 billion a year in the elderly alone. Industry’s own estimates of the indirect costs at five times higher—$100 billion a year when lost productivity and reduced quality of life are included.

To avoid further tragedies and lower costs, the proposed Medguide regula-
tion would establish concrete goals for industries to meet. By the year 2000, FDA seeks to ensure that at least 75 percent of patients with new prescrip-
tions would obtain adequate, useful, easily understood written information. By the year 2006, 95 percent of patients with new prescriptions would receive this information. That is a goal by the year 2000, that 75 percent would receive adequate information; and 95 percent by the year 2006. It does not seem to me to be enormously prohibitive.

Working with drug companies, phar-
macists, physicians and consumers, FDA plans to establish nonbinding guidelines on such information. These guidelines will help pharmacies ensure that the written information they give out is adequate.

If the goals set out in the proposed regulation are not met, FDA would ei-
ther institute a mandatory program or seek public comment on what steps to take next.

This approach is reasonable. It gives the private sector the opportunity to achieve compliance without regulatory requirements over the next 4 years. Yet industry still objects. It claims that the Medguide regulation, nor any binding requirements are neces-
sary. Clearly, if the industry meets the health goals by the year 2000, no binding requirements would be im-
posed. These goals were established in a bipartisan fashion during the Bush Administration. They should be hon-
orized by Congress today. The guidelines that have been established were estab-
lished under the Republican adminis-
tration with the support of the indus-
try at that particular time.

If the industry has failed to de-
liver on its promise of voluntary ac-
tion. In 1982, a regulation mandating that information be given to patients
when they buy new prescriptions was withdrawn, because the private sector promised it can do better without regulations.

This whole proposal that is out there builds on a long history of relationship between the agency and the industries which have failed an amendment that had been worked out. Now there is an attempt to circumvent that agreement to the disadvantage of consumers.

FDA then monitored the industry's efforts of 1982, and found that few patients were getting information, and much of the information was not adequate, and that failure led to the rule-making that the industry is now trying to avoid.

The provision in the appropriation bill states that if the private sector develops a plan within 120 days of enactment, FDA's rulemaking is suspended. We understand that now. The provision in the appropriation bill states that if the private sector develops a plan within 120 days of enactment, FDA's rulemaking is suspended. However, the Secretary of HHS and the commissioner cannot review the voluntary program to determine if it is, in fact, adequate. The only action that HHS or FDA is allowed to take is to order the plan to see if it meets the goals set by the industry. So this is an industry plan. They could develop it within 120 days. The FDA is prohibited from protecting consumers. The only ability FDA has is eventually auditing the industry program to find out if there has been compliance with the industry program.

Mr. President, this is an issue of such vital importance to the consumers. We have a solid record in our committee on adverse drug reactions and on what the industry has been willing to do, what they have not done, and what we have reviewed in our committee and is a part of the FDA reform program, which the leader indicated they are going to call up. But we have just heard about this proposal in the last several hours. The bill further states that if the plan is inadequate, and that failure led to the rule-making that the industry is now trying to avoid.

The provision in the appropriation bill states that if the private sector develops a plan within 120 days of enactment, FDA's rulemaking is suspended. However, the Secretary of HHS and the commissioner cannot review the voluntary program to determine if it is, in fact, adequate. The only action that HHS or FDA is allowed to take is to order the plan to see if it meets the goals set by the industry. So this is an industry plan. They could develop it within 120 days. The FDA is prohibited from protecting consumers. The only ability FDA has is eventually auditing the industry program to find out if there has been compliance with the industry program.

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This provision is an abdication of Congress' responsibility to protect the public health. Instead of responsible action by the FDA, an industry with an unsatisfactory track record is permitted to regulate itself without any FDA oversight of their program. That is inadequate.

Mr. President, tomorrow, I will have an amendment to address that particular issue. I will consult with the floor managers to find out about whether they share the sense or concern which I have spoken to this afternoon and if they have a way to try to address it.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. BRYAN addressed the Chair. The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. BRYAN. Mr. President, I ask unanimous consent that the pending amendment be laid aside.

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

AMENDMENT NO. 4977

(Purpose: To limit funding for the market access program.)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. BRYAN], for himself, Mr. KERRY, and Mr. GREGG, proposes an amendment numbered 4977.

Mr. BRYAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of the bill, add the following:

SEC. 3. FUNDING LIMITATIONS FOR MARKET ACCESS PROGRAM.

None of the funds made available under this Act may be used to carry out the market access program pursuant to section 203 [19 U.S.C. 2468d(a)] unless the Secretary of the Treasury certifies to the President that under the plan, the aggregate amount of funds and value of commodities under the program exceeds $70,000,000.

Mr. BRYAN. Mr. President, this amendment is regarding the Market Access Program [MAP], which in turn was the successor to the Targeted Export Assistance Program [TEA], established in 1966. TEA was originally created to "counter or offset the adverse effect of subsidies, import quotas, or other unfair trade practices of foreign competitors on U.S. agriculture exports." Since 1986, over $1.43 billion has been spent for TEA, MAP, and now MAP.

MAP is operated through about 64 organizations that either run market promotion programs themselves or pass the funds along to companies to spend on their own market promotion efforts. In fiscal year 1994, about 43 percent of all program activities involved generic promotions while 57 percent involved branded promotions.

The General Accounting Office [GAO] has pointed out that the entire Federal Government spends about $3.5 billion annually on export promotion. While agricultural products account for only 10 percent of total U.S. exports, the Department of Agriculture spends about $2.2 billion, or 63 percent of the total. The Department of Commerce spends $236 million annually on trade promotion.

While the stated goal of MAP is to benefit U.S. agriculture, the program has benefited foreign companies. In fiscal years 1991-1993, $92 million on MAP funds went to foreign-based firms. This amount represented nearly 20 percent of the total funds allocated for brand-name promotions during the 8-year period. In fiscal year 1995, 49 foreign-based firms received MAP funds; in fiscal year 1994 over 110 foreign firms received MAP funds from the U.S. Treasury. I found this to be unfathomable, and I offered an amendment to this to the 1996 farm bill. My amendment passed, and I am pleased to say that MAP money can no longer be given to foreign corporations.

Still, many problems exist with the MAP program.

First, wasted dollars: There is still no proof that MAP funds are not simply replacing funds that would have been spent anyway on advertising. USDA does not have any good data on this phenomenon. Commercial firms still have the opportunity to substitute MAP funds for promotional activities they would have otherwise undertaken with their own funds.

Second, graduation: Current regulations require MAP assistance to cease after 5 years. However, the 5-year clock is running so MAP means that some companies will have been in the program for 13 years at the end of 1999. Thirteen years is enough time to overcome barriers and develop markets. Already, 136 firms have participated in this program for 6 to 8 years and have received the bulk of the brand-name funds.

Third, efficiency: GAO states that taxpayers do not have reasonable assurance that the considerable public funds expended on export promotion are being effectively used to emphasize sectors and programs with the highest potential returns. MAP supporters use examples of increased exports to defend this program. However, even if a brand-name promotion effort results in identifiable increases in exports, unless the foreign Agriculture Service [FAS] can convincingly demonstrate that the promotion effort would not have been undertaken without MAP assistance, those increases in exports cannot be attributed to the program.

Since 1986 there have been over 100 participants in the program, and yet the Foreign Agriculture Service has completed only 12 program evaluations. Only 9 of 26 participants who have received over $10 million have been evaluated.

Fourth, U.S. content: MAP regulations issued in August 1991 do not restrict program participation to products that have 100 percent U.S. content. Regulations permit full funding for products that have at least 50 percent U.S. content by weight. To remedy this problem, the Foreign Agriculture Service began to review the support for the certifications made
regarding U.S. content during their audits of participants. Their work is limited to the not-for-profit organizations and they do not, as a rule, audit the commercial entities performing brand-name promotions.

What will happen to these funds? Although new guidelines say small firms should have priority—three of fiscal year 1994 funds went to large companies. For that reason, large corporations such as Sunkist, Sun-Maid, Welch’s, and Pillsbury still receive large sums of money. In 1992, the average amount awarded to the top 50 firms was $1 million. Eight of those firms had sales over $1 billion.

There were 17 MAP participants receiving more than $1 million for fiscal years 1993-95:
- Sunkist, $11.1 million
- Ernest & Julio Gallo, $9.1 million
- Sunsweet, $4.6 million
- Blue Diamond, $4.5 million
- American Legend, $2.9 million
- North Am. Fur Producers, $2.3 million
- Dole, $2.1 million
- Tyson Foods, $1.9 million
- M&M Mars, $1.8 million
- 21st Century Genetics, $1.5 million
- Welch Foods, $1.4 million
- Pillsbury, $1.3 million
- Campbell Soup, $1.2 million
- Hansa-Pacific, $1.1 million
- Hershey, $1.1 million
- Candaďugua, $1.1 million
- Seagram, $1.0 million

Private, for-profit companies are the ones who benefit from this program. Taxpayers should not pay for advertising particular products. These companies should take over the costs themselves. MAP, like MPP and TEA before it, is a convenient source of free cash for wealthy businesses, such as McDonald’s, to help pay for their overseas advertising budgets.

When the Federal Government does have a legitimate role in promoting exports to foreign countries, we should use our considerable Federal expertise to assist companies in cutting red tape in foreign countries and providing them with technical assistance. We should not do it by granting scarce taxpayer dollars to private, for-profit companies for activities they would otherwise conduct on their own.

Mr. President, the amendment I offer today is nearly identical to the position the Senate took on the Federal Agricultural Improvement and Reform Act, or farm bill, of 1996. The Senate voted 59 to 37 in February to accept the Bryan amendment on the MPP program. That amendment restricted use of MPP program moneys to small businesses, as certified by the Small Business Administration, and Capper-Volstead cooperatives. Because the amendment eliminated foreign companies from the program, the funding level for MPP was capped at $70 million.

In the House-Senate conference on the farm bill, my language prohibiting foreign companies from participation in MPP was retained, but the level of funding was raised to $90 million. So while the conferences were attempting to reform the MPP program by removing foreign companies, they also enacted a 29-percent increase in funding. My amendment would return the MPP program to the originally approved Senate funding level. This represents a real cut to the program as foreign companies may no longer participate. This frees up funds for domestic businesses.

Mr. President, reiterating, I am renewing an effort that I had been involved in—as Members will be familiar with—for some years. It is a program that was originally known as the Targeted Export Assistance Program. A little later iteration referred to it as the Market Promotion Program, and it has now evolved into the Market Access Program.

The historical genesis, as well as the ostensible premise for its continuation, is an effort to encourage the development of particular exports of U.S. agricultural products abroad, originally designed to counter or offset the adverse effects of subsidies, import quotas, and other unfair trade practices.

Since 1986, both MPP, MAP, and TEA, has resulted in the expenditure of $1.5 billion. This program is operated through about 64 different organizations, as I know the distinguished Presiding Officer and the chairman of the committee were both very familiar with. In fiscal year 1994, about 43 percent of all program activities involved generic promotions, while 57 percent involved branded promotions. By that, Mr. President, we mean specific products of company A, B, C, or D.

We will talk later about some of the companies who have received very generous amounts of taxpayer dollars to support a program which, in the view of this Senator, amounts to a corporate welfare program that should not have been justified even in the most affluent circumstances at the Federal level. Now, while we are trying to downsize, streamline, cut expenditures, and reach targeted goals for balancing our budget by 2002 or 2003, this is precisely the kind of program that is still a legacy of the past and, in my judgment, one I cannot support on its merits.

I think it might be helpful to note that the Federal Government spends about $3.5 million annually on export promotion activities. Agricultural products represent about 10 percent of the total U.S. exports. Yet, of that $3.5 billion spent at the Federal level, about $2.2 billion, or 70 percent of the total amount, is spent on agricultural export promotion. The Department of Commerce, for example, spends about $236 million annually on trade promotion.

Now, earlier this year, Mr. President, one of the objections that this Senator and others raised was that a substantial amount of the funding on this program went not to American companies, but went to foreign companies. So joining with the distinguished occupant of the chair, and other colleagues on both sides of the political aisle, we were able to get an amendment through that, as it ultimately worked its way through the legislative process, dealt with one issue which, in my judgment, was inconceivable, unfathomable, in that we would continue to provide money to foreign companies with taxpayer dollars. I am happy to report that, in the legislation that passed, we have now eliminated moneys that previously went to foreign-based firms. So, prospectively, that can no longer occur, and the money that we are talking about here this afternoon will no longer be given to foreign corporations. But the fundamental objections to the programs remain.

First, the General Accounting Office, which has evaluated this program, has determined that these are wasted dollars. There is no evidence to support the proposition that when ostensibly is given to companies to augment or increase their promotional activities has simply not been used to replace existing dollars already in these major corporations’ advertising accounts. So rather than a McDonald’s spending $500 million a year, if they get $4 million or $5 million, they reduce the amount of their own budget allocation to $496 million — the point being that there is no extra dollar outlay spent in the promotion of these products. That is to even accept the proposition that you can target or trace a correlation between the amount of money that is spent on advertising dollars and the kind of products that these companies are able to market overseas.

So that is the first objection raised, and that is as valid today as it was when the General Accounting Office did its evaluation some 5 years ago to determine that there was no assurance of companies simply not trading their own corporate dollars and replacing them with dollars that the American taxpayers pay.

The second is a graduation problem. There is no graduation formula. How long does one remain as part of the program? Current regulations, enacted in response to criticisms made by this Senator and others about the merits of the program, ultimately caused the reevaluation of the regulation so that taxpayer assistance is for after 5 years. However, those who continue to benefit from this financial allocation provided at taxpayer expense target it to 5 years to run prospectively from the date of the enactment of the regulation, so you can still stay on this program for another 5 years. So rather than a McDonald’s spending $500 million a year, if they get $4 million or $5 million, they reduce the amount of their own budget allocation to $496 million — the point being that there is no extra dollar outlay spent in the promotion of these products. That is to even accept the proposition that you can target or trace a correlation between the amount of money that is spent on advertising dollars and the kind of products that these companies are able to market overseas.

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Now, for some companies, that would mean being a part of this program for 13 years. That is an incredibly long period of time. If you find any merit to retaining—and I must say I am one who finds none—how do you justify keeping a particular company as part of this program for up to 13 years? Already, 136 firms have participated in maintaining their programs.
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Mr. President, I thank the Chair. I yield the floor.

Mr. KERRY. Mr. President, I am pleased to join my friend from Nevada, Senator BRYAN, in another attempt to save American taxpayers from funding corporate advertising in other countries. The Market Promotion Program is one of the most blatant examples of corporate welfare in the budget—the American taxpayers have footed a bill of more than $2 billion to pay for corporate advertising to peddle wine to the French; how we helped advertise Japanese-made underwear in Tokyo; how we promoted fashion shows mink coats and fur stoles; how we have subsidized M&M’s and Chicken McNuggets.

We have tried to reform the MPP program for the past few years. Last year, we prohibited the mink industry from receiving Federal subsidies to promote fashion shows abroad. That was a step in the right direction. And, Mr. President, I am very pleased the distinguished chairman of the Agriculture Appropriations Subcommittee, Senator COCHRAN, has agreed to examine the mink subsidies bill. In addition, Mr. President, last year, in the Department of Agriculture appropriations bill, the Senate voted to curb the Market Promotion Program—we passed the Bryan-Bumpers-Kerry amendment to limit the program to small businesses and agricultural co-ops. This was a good start to curb corporate welfare, but the provision was dropped in conference. So, the program continues despite the Senate’s vote.

Accordingly, my friend from Nevada, Senator BRYAN, and I are making the effort once again to halt this unnecessary flow of funds from the Treasury.
We must not force American taxpayers to keep subsidizing multimillion-dollar corporations. When my friends and neighbors in Massachusetts measure this program against the extraordinary "reductions" we are facing in programs that help working Americans, they ask me how Congress can continue to justify this type of corporate welfare. There is no good answer to that question. This program is un-justifiable in the current budget envi-ronment.

Mr. President, I am grateful Senator Bryan is willing to lead the charge. Together, we will continue to fight this waste of taxpayer money until this program is eliminated. We fought the wool and mohair subsidy, and that is now gone. We fought the mink subsidy, and that is now gone. Ultimately, we will win this battle, too, because the Senate will recognize that it is a monu-mental waste of money. I yield the floor.

Mr. Cochran. Mr. President, this Market Promotion Program has been one that has attracted an awful lot of attention and controversy over the last several years. Senators have heard the arguments for it and against it, and why it is important for us to continue to support those who are trying to market their commodities and food products in overseas markets, par-ticularly when they are confronted with trade practices that are developed by our competitors, or even those countries in which we are trying to ex-port our products that operate against our interests.

Under the rules of the General Agreement on Tariffs and Trade, we have tried to reduce barriers to trade, make the playing field fair, and have as a principle for our international trade that if we are going to make available our market here in the United States, we are going to insist that other countries do the same. But from time to time, even though this is the general understanding and the general basis for these agreements, it is not always a reality. We have run into specific problems—structural difficul-ties, bureaucratic red tape, call it what you will. It is all an effort to pre-fer one of our competitors over our exporters in these markets, or to keep us out of the markets altogether.

These funds have been very helpful, I am told at our hearings with the Foreign Agriculture Service, in breaking down barriers to trade, to overcoming these efforts to keep our suppliers and our exporters out of international mar-kets.

There is no question that this is an area of economic activity that has ben-efited American business, agriculture, and I have seen a great amount of jobs created in our own economy here at home because of ac-cess to overseas markets for our prod-ucts. There is a direct correlation be-tween the amount of exporting we do and the amount of benefit we get eco-nomically here in terms of jobs, pay for workers, and renewed and invigorated business activity.

It has been consistently shown on the basis of experience that we have had using these funds that as we provide assistance to exporters and suppliers in international markets, we do better; we sell more; we are more successful. I hope this formula will be used to further reduce the ability of the Foreign Agriculture Service to go to bat for our exporters, to try to help where help is needed, and use these funds in a targeted way, in a way that is designed to help us sell more of what we produce in these emerging markets around the world.

I know that we are not going to re-solve this issue tonight, and we have a lot of information that will be avail-able to Senators, but almost all the Senators who are going to vote—and I presume we are going to go to a record vote on this unless the Senator decides to withdraw his amendment on the basis of my overwhelmingly persuasive arguments in his amend-ment. I presume we are going to vote on this amendment tomorrow.

Mr. Bryan. Will the Senator yield?

Mr. Cochran. I will be happy to yield to my friend. Mr. Bryan. I always find my friend from Mississippi extraordinarily ar-ticulate. Without any derogation in-tended, he has not persuaded this Sen-ator. At this particular point, it would be my intent to ask for a rollcall vote at the appropriate time. And I can as-sure the Senator I do not intend to pro-long the debate tonight, but when he finishes, I might just make a very brief comment.

Mr. Cochran. I thank the Senator. I know he is committed on this issue. He raises it from time to time. I do ap-preciate the fact we do not have all the charts and other things that he has brought to the floor in the past to per-suade Senators on the correctness of his position, but he is certainly correct in pointing out that this issue was de-bated fully, extensively in the discus-sion of the farm bill earlier this year. The farm bill did have provisions relat-ing to the program, and so Senators are familiar with it, and they are fa-miliar with the arguments for and against.

I am not going to belabor the issue again. I hope the Senate will reject the amendment and support the commit-tee's funding level for this program. It is, I would say, consistent with the au-thorization contained in the conference report of the farm bill.

I rest my case, and I am happy for the Senate to work its will on this sub-ject. I hope they will support the deci-sion that we made in the committee. Mr. Bryan addressed the Chair. The PRESIDING OFFICER. The Sen-ator from Nebraska.

Mr. Bryan. I ask unanimous con-sent that the distinguished senior Sen-ator from Arkansas be added as a co-sponsor of this amendment.

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

Mr. Bryan. If I may very briefly re-spond to my friend from Mississippi, and then I will yield to my friend from Arkansas, it seems to me that we talk a lot about sacrifice—the need for us to notch up the proverbial belt and slim down, streamline Government, all of these sorts of things, and we ask most segments in our society to do more with less.

I must say, with all due respect to my friend from Mississippi, it seems to me that those who are part of this cor-porate entitlement program that has been culturally ingrained as part of this Federal budget process, we never ask them. I do not think it is asking too much of our friends, the McDon-ald's hamburger people, Pillsbury, the Welch's, Sunquist, Sun Maid, Seagram's, all these other marvelous corporations to say, look, this is a program we thought we could afford at one time but this is 1996 and you folks have fol-lowed our debate on balancing the budget. Both parties, both the Congress and the White House have agreed that a balanced budget ought to be our goal, that ought to be a national priority. There are benefits that inure to our so-ciety, to our economy, and we cannot do if that we continue the old ways, as comfortable as they may have become.

So I conclude with the observation that the $70 million is $70 million more than I would like to spend, but this appro-priations bill sets a funding level of $90 million, so it does represent a 29 percent increase over the $70 million that would be available under the pa-rameters of the fiscal year where we have deleted the money for foreign companies. It seems to me that a spirit of sacrifice and fairness would say, look, those who are the giants of cor-porate America, they ought to be asked to trim their sails and to cut their spending a bit by enabling us to wear ourselves gradually from this program.

I thank the Chair. I yield the floor.

Mr. Cochran. Mr. President, I ask unanimous consent to have printed in the Record, as filed, a letter dated as chairman of the subcommittee from the Coalition of U.S. Exporters in sup-port of the Market Access Program.

There being no objection, the letter was ordered to be printed in the Record, as filed.

COALITION TO PROMOTE U.S. AGRICULTURAL EXPORTS, Washington, DC, July 9, 1996.

Hon. Thad Cochran, Chairman, Subcommittee on Agriculture, Rural Development, and Related Agencies, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As Congress considers the 1997 agricultural bill, we want to emphasize again the need to main-tain funding for USDA's export pro-grams, including the Market Access Program and FAS Cooperator Program, as authorized under the new Farm Bill.

Such action is critical to the success of the new Farm Bill, which gradually eliminates direct income assistance to producers, while providing increased planting flexibility. Within this framework, the long term viabil-ity of American agriculture is even more de-pendent on ensuring access to foreign mar-kets and maintaining and expanding U.S. agri-cultural exports.
It is also vital to our nation's economic well-being. For example, U.S. agricultural exports this year are now projected to reach a record $60 billion. This is expected to result in a $30 billion trade surplus of approximately $30 billion, generate as much as $100 billion in related economic activity, and provide jobs for over one million Americans.

The Market Access Program, along with the FAS Cooperator Program, are among the few programs specifically allowed under the Uruguay Round Agreement and not subject to any reduction or discipline. When other countries are increasingly pursuing such policies to help their agriculture industries maintain and expand their share of the world market, now is not the time for the U.S. to continue to unilaterally reduce or eliminate such programs.

Under the new Farm Bill, the Market Access Program already has been reduced from $120 million to just $90 million annually. The new Farm Bill also makes permanent the reforms included in the FY 1996 agriculture appropriations bill, including limiting any direct cost-share assistance to small businesses, farmer cooperatives and trade associations.

Clearly, the Market Access Program and other USDA export programs remain an essential element of our nation's overall agriculture and trade policy. They are key to helping boost U.S. agricultural exports, strengthening farm income, promoting economic growth and creating needed jobs throughout our entire economy. Accordingly, we urge your strong support to ensure such programs continue to be fully funded and aggressively implemented.

Sincerely,

Mr. BUMPERS. Mr. President, first, let me say that my good friend, the distinguished manager of the bill and the chairman of the Subcommittee on Agriculture Appropriations, and I very seldom disagree, and we have worked on a number of bills when I was chairman of this subcommittee and now the last 2 years he has been chairman of the subcommittee. We have worked together well and produced really good bills for the Senate's consideration. This is one of those rare occasions when we disagree.

I feel very strongly, and have for many years, that the Market Access Program, recently renamed the Market Access Program, is just short of outrageous. When I first got involved in it, the General Accounting Office had just done a study. We were putting millions of dollars in a program for McDonald's to sell Big Macs in Moscow. In addition, we were spending money to encourage one of the big companies in my own State, Tyson Foods, a company I am more than happy to champion on most occasions, to advertise their products overseas. Further, Gallo wine was a big recipient. The liquor industry was getting millions to export liquor.

I said last year, where is the Christian Coalition when we need them? But I yield the floor.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The time is 10:30 a.m.

Mr. KERREY. Mr. President, I will not belabor it. I see the Senator from Nebraska here. He, apparently, wants to offer an amendment. I do not want to delay his opportunity to do that. But I say I am more than happy to cosponsor the amendment of the Senator from Nevada, we have been able to make it a little more palatable.

But think about this, Mr. President. We have capped the Export Enhancement Program now for 1997 at $100 million. But when you take the Export Enhancement Program, Public Law 480, which has been on the books for decades—and there are three titles in that program, I, II, and III, all designed and calculated to enhance agricultural exports—everybody is for agricultural exports. The USDA also has the GSM Program as an export tool. There are the COAP and SOAP Programs. If it would pass, for instance, in 1995, in 1996, $110 million to just $90 million annually. The new Farm Bill also makes permanent the reduction of the GSM program by about 25 percent.

So, Mr. President, I will not belabor it. I see the Senator from Nebraska here. He, apparently, wants to offer an amendment. I do not want to delay his opportunity to do that. But I say I am more than happy to cosponsor the amendment of the Senator from Nevada, which does not eliminate the program but simply puts the funding level at $90 million to $70 million, and this year, $60 million. While we have been able to get the Gallo Bros. and McDonald's and people like that out of the program, at least directly, and allow cooperatives such as my own Riceland Foods, and their farmer-members, to benefit from the program, we should certainly not in the days of budget constraints that we are experiencing now be raising that program by about 25 percent.

So, Mr. President, I will not belabor it. I see the Senator from Nebraska here. He, apparently, wants to offer an amendment. I do not want to delay his opportunity to do that. But I say I am more than happy to cosponsor the amendment of the Senator from Nevada, which does not eliminate the program but simply puts the funding level from 80 to $70 million, and this year, $60 million, where we put it last year.
proposes an amendment numbered 4978.

The Senator from Nebraska [Mr. KERREY] proposes an amendment numbered 4978.

Mr. KERREY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 20, line 10, strike `$936,570,000' and insert `$895,875,000'.

On page 24, line 11, strike `$22,728,000' and insert `$24,152,000'.

Mr. KERREY. Mr. President, I have brought this problem to the attention of both the distinguished Senator from Arkansas, as well as the ranking member, the distinguished Senator from Mississippi, as well as the USDA. Very often it is a problem of not being willing to either say we are going to raise taxes to pay for it, which very few people at this point want to do, or we are going to get it out of the growth of entitlements, or we are not going to build the F-18C, or some other thing, some other major program like that.

If we do not fund FSIS this year and next year and the year after, as the appropriations accounts get smaller, I believe we are going to pay a big price for it. So I understand there may be some language that can be worked out in this particular reallocation only in concern for the very specific program I would like to fund, the field automation and information management project.

I have a great deal of respect for the chairman and ranking member's concerns for that particular effort.

The second thing that is being funded is insurance. The federal government is now getting into the insurance business.

I understand there have been some problems. I understand the committee has asked the Department of Agriculture, under the FSIS, the Food Safety and Inspection Service, as well as the Food Inspection, Packers and Stockyards Administration, the first by $8.5 million, the second by $1.5 million. The increases are offset by a reduction in funding available for the Agriculture Quarantine Inspection Program. This is a user fee account within the Animal and Plant Health Inspection Service.

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proposes amendments numbered 4981 and 4982, en bloc.

AMENDMENT NO. 4981
(Purpose: To provide the Secretary of Agriculture with authority for the use of voluntary separation incentives to assist in reducing employment levels, and for other purposes)

Mr. KEFER. Mr. President, I ask unanimous consent to lay this pending amendment aside and I ask immediate consideration of a third amendment. The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:
The Senator from Nebraska [Mr. KEFER] proposes an amendment numbered 4981.

Mr. KEFER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with. The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's Record under "Amendments Ordered")

Mr. KEFER. Mr. President, this third amendment is one of those sort of good Government amendments. I have spoken with the authorizing committee about this. They raise some concerns that I will attempt to address in a moment. This gives the U.S. Department of Agriculture the authority to conduct a voluntary buyout in order to meet its downsizing needs. No question, under this appropriations bill, the Department of Agriculture, particularly FSA is going to have to downsize and, equally important, Mr. President, no question, that is a desirable thing to do, given the substantial reduction in work that is likely to be required under the new farm program.

It is not that I am objecting to that downsizing, I am merely, with this amendment, trying to provide the Department with the authority to do buyouts which very often can save them substantial money and save the taxpayers substantial money in the process.

I note there has been considerable attention to giving buyout authority to other agencies in the Federal Government, Treasury in particular. I am well aware of the work others have done in this area. As indicated, I have had discussions with the authorizing committee—that is to say, the Committee on Governmental Affairs—in gaining acceptance for this.

Thus, Mr. President, I ask unanimous consent that I be allowed to amend my amendment before it comes to a vote tomorrow.

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

Mr. KEFER. Mr. President, I ask for the yeas and nays on the third amendment. The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The yeas and nays were ordered.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The second is offered for the Senator from Oklahoma [Mr. INHOFE], dealing with electronic warehouse receipts. The first is offered for the Senator from Mississippi [Mr. COCHRAN], proposing amendments numbered 4981 and 4982, en bloc.

Mr. KEFER. Mr. President, I ask unanimous consent that the following amendments be considered en bloc and agreed to en bloc: The first is offered for the Senator from South Dakota [Mr. PRESSLER], dealing with electronic warehouse receipts.

The second is offered for the Senator from Oklahoma [Mr. INHOFE], dealing with research facilities in Oklahoma of the Agriculture Research Service. The PRESIDING OFFICER (Mr. COVERDELL). Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:
The Senator from Mississippi [Mr. COCHRAN] proposes amendments numbered 4981 and 4982, en bloc.

Mr. KEFER. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with. The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 4981
(Purpose: To improve the issuance of warehouse receipts)

At the end of the bill, add the following:

SEC. . WAREHOUSE RECEIPTS. 

(a) ELECTRONIC WAREHOUSE RECEIPTS.—

Section 11(c) of the United States Warehouse Act (7 U.S.C. 2259c) is amended:

(1) in paragraph (1)(A), by striking "cotton" and inserting "any agricultural product"; and

(2) by striking "the cotton" each place it appears and inserting "the agricultural product";
Mr. COCHRAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . Hereafter, notwithstanding any other provision of law, any domestic fish or fish product produced in compliance with food safety standards or procedures accepted by the Food and Drug Administration as satisfying the requirements of the "Procedures for the Safe and Sanitary Processing and Importing of Fish and Fish Products" (published by the Food and Drug Administration as a final regulation in the Federal Register of December 18, 1995), shall be deemed to meet the requirements of section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) except that the Department of Agriculture or other Federal agency may utilize lot inspection to establish a reasonable degree of certainty that fish or fish products purchased under a Federal commodity purchase program, including the program authorized under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), meet Federal product specifications.

The PRESIDING OFFICER. There is no objection on this side, Mr. President.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4983) was agreed to.

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

Mr. BUMPERS. There is no objection on this side, Mr. President.

The amendment is agreed to.

Mr. COCHRAN. Mr. President, I also understand that Senator HATCH is going to propose an amendment on the subject of generic drugs. We will add that to our list.

MORNING BUSINESS

Mr. COCHRAN. Mr. President, I ask unanimous consent that there now be a period of up to 10 minutes each for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each.

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

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, July 19, the Federal debt stood at $5,169,596,709,354.27.

On a per capita basis, every man, woman and child in America owes $19,482.39 as his or her share of that debt.

MID YEAR REPORT—1996

The mapping and filing date of the 1996 Mid Year Report required by the Federal Election Campaign Act, as amended, is Wednesday, July 31, 1996. All Principal Campaign Committees