

make more money. They are going to generate more jobs. It is going to help the economy and, I believe, actually spend it better than how the Government would spend it.

He also cuts the capital gains rate in half. Some people disagree with that. I believe we have at least a strong majority vote in the Congress to do it, because if you reduce the tax on financial transactions, you are going to have more. Some countries do not even tax financial transactions.

I think there are several things in Senator Dole's proposal that will stimulate the economy, that will balance the budget. He is also calling for a constitutional amendment to balance the budget. So he is sincere about doing it. I think he will do it. In spite of the fact that maybe one or two of his predecessors did not do what they said they were going to do, did not follow through, did not tell the truth to the American people, I believe Senator Dole is telling the truth. He is a man of his word. We will cut taxes. We will balance the budget. We will pass a constitutional amendment to balance the budget. I think that is significant, it is positive, and it will help the American economy and help American families as well.

I yield the floor.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. I do not want to cut off anybody, but I am trying to call up a bill that is a major bill. I do not want to block the Senator.

Does the Senator have a brief statement he wants to make?

Mr. INHOFE. Yes. I will be very brief.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oklahoma.

EXPERIENCE IN INCREASING REVENUES

Mr. INHOFE. Mr. President, we have had three experiences in this century of increasing revenues: One was in the 1920's, one in the 1960's, and then in the 1980's. All three times it was a result, economists had to agree, of the fact that we reduced taxes and gave people more freedom. As a matter of fact, it was not a Republican but it was a Democrat, it was President Kennedy back in the 1960's, who observed that we have to increase revenues and the best way to do that is to reduce taxes. Of course, history showed that it did work. It worked again in the 1980's when we went from a total expenditure to run Government in 1980 of \$517 billion to \$1.03 trillion in 1990, a 10-year period in which we had the most dramatic decreases in taxes.

So I would certainly agree with the man who I believe will be the next President of the United States that the best way to get this country back on the right track is to reduce regulation, reduce taxes, and give people more individual freedoms.

I yield the floor.

FEDERAL AVIATION ADMINISTRATION PROGRAMS REAUTHORIZATION

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 539, S. 1994, the FAA reauthorization bill.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1994) to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, 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.

Mr. PRESSLER. Mr. President, I rise in support of S. 1994, the Federal Aviation Authorization Act of 1996. Today, I am offering a manager's amendment to the bill as originally considered by the Commerce Committee which includes a variety of critically needed improvements to address important safety and security issues affecting airports, airlines, and the travelling public.

This legislation is a comprehensive effort to deal with virtually all aspects of our Nation's air transportation system including: funding issues, security, the replacement of aging air traffic control equipment, and infrastructure development.

Mr. President, first and foremost, we must act to reauthorize the programs of the FAA before we leave this year or the FAA will be prohibited from issuing grants to airports for needed security and safety projects. In light of recent air transportation tragedies, we must act now to ensure this vital revenue stream remains available.

As I have indicated, there are dozens of important provisions in this legislation, but Mr. President, I would like to focus my remarks on three main areas.

First, aviation safety. Air transportation in this country is safe and remains the safest form of travel, however, we can and we must do more. This legislation facilitates the replacement of outdated air traffic control equipment. Importantly, it also puts in place a mechanism to evaluate long-term funding needs at the FAA. Much work has been done by Senator MCCAIN, HOLLINGS, FORD, STEVENS, and others, as well as the administration, and I want to congratulate them and thank them for their efforts in this regard. This effort is critically important given the projected growth in air travel over the next several years. Ensuring adequate funding in a time of increasing passenger traffic and diminishing Federal resources is a difficult issue and this legislation takes important steps forward.

A second area I want to highlight is aviation security. This legislation contains numerous provisions designed to

improve security at our Nation's airlines and airports. Here again, I would like to thank a bipartisan group of Senators for their efforts to develop comprehensive recommendations for the bill. Senators HUTCHINSON and LAUTENBERG deserve special thanks for their tireless work in this area over the past several months. The measure before us today incorporates many of the suggestions from the House-passed antiterrorism bill, as well as new recommendations from the Gore Commission of which I am a member. Passage of this bill will improve aviation security by: spending deployment of the latest explosive detection systems; enhancing passenger screening processes; requiring criminal history record checks on screeners; requiring regular joint threat assessments and testing baggage match procedures.

The third and final area I wish to highlight Mr. President, is how this legislation will help small community air service and small airports, such as those in my State of South Dakota. The legislation before us today reauthorizes the Essential Air Service Program at the level of \$50 million. This program is vital to States such as South Dakota and others. The bill also directs the Secretary of Transportation to conduct a comprehensive study on rural air service and fares. For too long, small communities have been forced to endure higher fares as a result of inadequate competition and the Department of Transportation will now look into this issue as a result of this bill. This follows on the important work that I instructed the General Accounting Office to initiate last year. And finally, in this legislation, we have taken steps to protect smaller airports in the event of funding downturns in the appropriations process.

The legislation guarantees that if airport funding were to be significantly reduced, smaller airports would not be disadvantaged disproportionately. As my colleagues know, larger facilities have a number of funding options available to them, including access to the bond communities, PFC, rates, and charges and the like. Smaller airports do not have the same options. I am pleased that we have developed a safeguard for smaller airports without significant modifications to the existing allocation formulas, while protecting existing letters of intent for multiyear funding projects at larger airports.

In summary, Mr. President, this legislation represents the culmination of over a year's work by the Commerce Committee and other interested Senators. It addresses our most pressing aviation needs—safety, security, and funding.

I urge all of my colleagues to support passage of S. 1994. We cannot adjourn for the year without taking final action on this important legislation. If we fail to act, the FAA's hands will be tied and they will be unable to address needed security and safety issues in every State in the Nation.