CAFE STANDARDS

● Mr. ABRAHAM. Mr. President, I rise today to speak once again on the matter of corporate average fuel economy standards. Last month, 12 Senators, from both sides of the aisle, joined with me to introduce legislation—S. 286—to return to Congress the authority for changing CAFE standards.

This issue is attracting an increased amount of attention as Americans begin to understand the consequences of increased fuel economy standards: less consumer choice, more dangerous vehicles, and reduced competitiveness for domestic automobile manufacturers. Perhaps, Mr. President, some of these repercussions could be easier to accept if the supposed benefits of increased CAFE standards were ever realized. Unfortunately, this has not occurred. In the two decades since CAFE standards were first mandated, this Nation's oil imports have grown to account for nearly half our annual consumption and the average number of miles driven by Americans has increased.

Mr. President, an excellent editorial in yesterday's Detroit News illustrates the problems associated with increased CAFE standards, and I ask that this article be inserted in the RECORD immediately following my remarks.

The article follows:

CAFE SOCIETY

Vehicle fuel efficiency standards represent regulation at its worst: unelected bureaucrats endangering the public at considerable cost while failing to achieve the promised result. Unfortunately, eliminating the existing standards appears to be politically unfeasible. But Congress should seize the opportunity recently provided by members of the Michigan delegation to halt new, more punishing mileage requirements.

The issue has taken on renewed urgency with news that the Big Three will fail to meet this year's fuel economy standards—and thus face stiff penalties that would place them at a competitive disadvantage. Fleet mileage averages have fallen with brisk sales of light trucks, sport utility vehicles and vans, which comprise a whopping 44 percent of the new vehicle market—up from 20 percent in 1980.

That consumers prefer less fuel-efficient vehicles proves how the Corporate Average Fuel Economy (CAFE) law has failed to reduce U.S. dependence on foreign oil. Nonetheless, the Clinton administration favors stricter standards convinced that increased fuel efficiency will somehow save us from environmental apocalypse.

Economic catastrophe would likely hit first. Fortunately, Michigan Sen. Spencer Abraham has introduced legislation to freeze mileage standards at current levels, while requiring Congress to approve any future increase. A companion measure has been introduced in the House by Rep. Fred Upton, the Benton Harbor-St. Joseph Republican. Both bills warrant swift passage.

The current federal standard is 27.5 miles per gallon for passenger cars and 20.7 for light trucks. Congress required car standards in the Energy Policy and Conservation Act of 1975. They left light truck levels to be set by the National Highway Traffic Safety Administration.

The fact is, consumers respond most directly to market signals, not government dictates. Oil is cheap and plentiful. It is no surprise, then, that the top 10 most fuel efficient cars represent less than 1 percent of overall car and light truck sales.

If anything, higher fuel efficiency invites more driving, not less. The average American drove about 9,000 miles per year in 1980, but 11,400 in 1995.

Absent an oil crisis, the Clinton administration is left to argue for stricter CAFE standards on environmental grounds. But its case is muddy at best—and deceitful at worst. All new cars must meet the same emission standards regardless of CAFE requirements. Tightening CAFE requirements would do nothing to temper global warming.

Stricter standards would cost a good many Americans their jobs—and lives. European and Japanese automakers long have catered to more mileage-conscious markets, which has kept their fleet mileage comparatively high. Tightening CAFE standards would require costly re-engineering by the Big Three, paring the profit margins on their best-selling and most profitable products.

Meanwhile, the vehicle downsizing required to boost mileage would only increase highway fatalities and injuries. Current standards are responsible for an estimated 3,000 additional highway deaths and innumerable injuries each year.

For two years, Michigan lawmakers have withheld funds that would otherwise have enabled regulators to increase CAFE standards. It makes more sense to rescind NHTSA's authority to change CAFE requirements. That done, Michigan's congressional delegation can turn its attention to outright repeal of what ranks among society's most costly and dangerous regulations.●

TRIBUTE TO BILL O'NEILL

● Mr. DODD. Mr. President, I rise today to pay tribute to a great citizen, a true humanitarian and a dear friend—William F. O'Neill, Jr., of Norwich, CT.

On March 14, Bill will be receiving the Outstanding Citizen Award from the Connecticut Rivers Council, Boy Scouts of America for a lifetime of humanitarian and altruistic deeds.

A World War II veteran, Bill has, and continues to make, untold contributions to the people of Connecticut. He's been a community activist and humanitarian throughout his life, holding leadership positions in the Norwich Chamber of Commerce; the Knights of Columbus; the Lions' Club; March of Dimes; and the Norwich Centenary Committee, to name only a few.

Bill has dedicated his life to making his community a better place for people to live and raise a family. Perhaps his greatest accomplishment was the founding of the Rose Arts Festival. Every year thousands of nutmeggers flock to Norwich to take part in this community event, where they enjoy entertainment, arts and crafts, and good food.

Bill has been recognized on numerous occasions for his tireless efforts, perhaps most notably in 1988, when he was presented with the Knight of St. Gregory Award by Pope John Paul II, for his many years of service to the Roman Catholic Church.

Most recently Bill received the Successful Aging Award from Connecticut Care, which honors those over age 70 who continue to play an active and vital role in the affairs of their community. Clearly, Bill has touched hundreds, if not thousands, of lives.

I have been fortunate to know Bill and his family for many years, and I can attest that he is a man of great integrity, character, and talent.

But, Bill is more than just a close, personal friend, he was also a dear friend to my mother and father. Currently, Bill is the chairman of the Thomas and Grace Dodd Memorial Scholarship—in memory of my parents.

Bill's work on behalf of my parents' and their memory is something for which I will always be grateful. But, I am just one of many who have been touched by Bill's generosity and acts of kindness.

Connecticut is indeed privileged to be able to call William F. O'Neill, Jr. one of its own, and I join all of those who have known Bill in wishing him congratulations and the very best for the future.●

ORDER FOR STAR PRINT—S. 24

Mr. MCCONNELL. Mr. President, I ask unanimous consent that S. 24 be star printed with the changes that are at the desk.

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

INVESTMENT ADVISERS SUPERVISION COORDINATION ACT

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Banking Committee be discharged from further consideration of S. 410 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 410) to extend the effective date of the Investment Advisers Supervision Coordination Act.

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. GRAMM. Mr. President, the Chairman of the Securities and Exchange Commission, Arthur Levitt, has requested that the Securities and Exchange Commission be given additional time to prepare for the historic changes enacted by the last Congress to the Investment Advisers Act. Chairman Levitt requests an additional 90 days before those changes become effective.

After careful review and discussion with my colleagues, and with the members of the affected industries, I believe that it would not only be proper but also desirable to give the SEC an additional 90 days to prepare appropriate regulations and take other steps necessary to implement last year's legislation.